

## KEY INFORMATION DOCUMENTS – CFD’s on Commodities

### 1. Purpose

This document provides you with key information about this investment product. It is not marketing material and it does not constitute an investment advice. The Key Information Document is required by the law to help you understand the nature, risks, costs, potential gain and losses of this product and to help you compare it with other products.

### 2. Product

**Product name:** Contract for Difference (“CFDs”) on Commodities

**Distributor:** Offered by APME FX Trading Europe LTD (the “Company”), a company registered in Cyprus with registration number HE 347219 and authorized by Cyprus Securities and Exchange Commission, with License Number 335/17

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

#### What is this product?

**Type:** An Over the Counter (“OTC”) Derivative Contract for Difference (“CFD”) with the underlying instrument being Commodities. CFD’s on commodities allows traders to speculate on the price movements of the underlying commodity without taking actual ownership of the product itself. CFDs are considered an efficient way to trade popular commodities, i.e., Grude Oil, Gold or wheat, due to leverage, which enables a trader to use less capital to gain greater exposure to an underlying instrument. The commodities we currently offer as CFDs can be found at the company’s website.

**Objectives:** This CFD is not a listed instrument but is traded as an OTC contract. It enables you to have exposure to price movements on the underlying asset over a period of time. This CFD can be bought long or sold short to suit your view of market direction in the future. It is a leveraged product that requires you to deposit a smaller amount of cash as margin than the notional value of the position. For retail investors, there is a mandate of a minimum initial margin of 50% of the notional value of the position and requires us to close any open positions if the margin level of your account falls below 50% of the initial margin requirements.

**Example:** If an investor opened a buy (long) position (e.g., Grude Oil) and the price of the underlying asset rises, the value of the CFD will increase - at the end of the contract the Company will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor opened a sell (short) position and the price of the underlying asset rises, the value of the CFD will be increased - at the end of the contract the investor will pay the Company the difference between the closing value of the contract and the opening value of the contract.

Product	Direction	Leverage	Position Size Value of	Initial Margin	Open Price	Close Price	Change in %	Swap Paid*	Net Profit	Currency
XAUUSD	BUY	1:20	1 Lot	8677.80	1735.56	1815.20	4.59	54	7910.5	USD
XAUUSD	SELL	1:20	1 Lot	9284.95	1856.99	1813.20	-2.36	49	4330	USD
Wheat	BUY	1:10	1 Lot	3485	6.97	7.25	4.02	81	1319	USD
Wheat	SELL	1:10	1 Lot	3425	6.85	7.11	3.8	81	-1381	USD

*\*Example above: Position held for one (1) night. For all Costs and Charges, please refer to our website to section Trading Conditions. Tax legislation of the retail investor's home Member State may have an impact on the actual payout;*

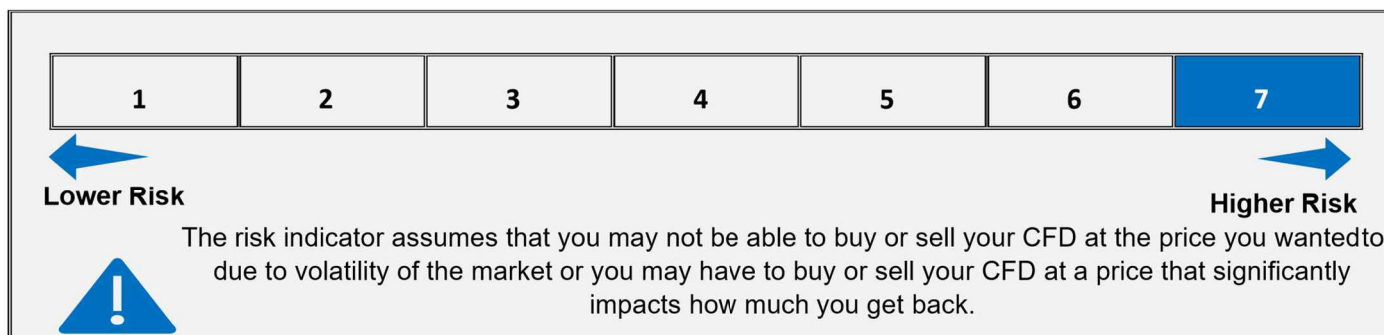
When free margin drops due to price movement in the opposite direction of the trades, one must either fund the account in order to keep margin level above stop out rule level, which is 50% margin level, or close position(s) to avoid being stopped out. Margin Call notification is communicated via e-mail and is also indicated in the platform when the margin level drops to 100%. The Company also retains the ability to unilaterally terminate any CFD contract where it deems that the terms of the contract have been breached.

### 3. Intended Retail Investor

This product is for clients that have a medium to high risk tolerance and ability to lose the invested capital. It is available for clients with a relatively short-term investment horizon, and is not suitable for all investors but only for those who i) understand and are willing to bear the risks involved, including the risks associated with margin trading; ii) possess the necessary experience and knowledge about trading in derivatives and the underlying instruments; and iii) are financially

able to bear the risk of a total loss of their invested amounts, subject to the negative balance protection mechanism offered by the Company.

#### 4. Risk Indicator



The Risk indicator can show you the risk involved in these products compared to other products. It shows how possible it is that the product movement can lead to financial loss for the investor. The Risk indicator has been set to the Highest level. The rate indicates the potential losses from the product future performance. CFDs are leveraged and risky products that can cause losses. Losses cannot exceed the amount invested (negative balance), however you may lose your entire invested capital. There is no capital protection against market risk, credit risk and/or liquidity risk.

#### 5. Currency Risk

It is possible to buy or sell CFDs in a different currency from the currency of your account. The final pay-out that you might receive depends on the exchange rate between the two currencies.

#### 6. Performance Scenarios

The below scenarios were demonstrated to provide you how an investment can perform. You can compare them with other products scenarios in order to identify which product is more suitable for you. The scenarios presented are an approximation of future performance based on evidence from the past performance on how the value of this investment differs and are not an exact indicator. The outcome will be based on the market performance and how long you hold the CFD. The stress scenario indicates the possible outcome in extreme market circumstances.

#### Scenario

Commodity CFD: Crude Oil	
Opening price	1703.52
Trade Size (per CFD): TS	0.5
Margin %: M	5%
Contract Size K	100
Margin Requirement (€): $MR=P \times TS \times M \times K$	1,704
Notional Value of the trade (€): $TN=MR/M$	85176



Table 1

<b>BUY</b> Performance Scenario	<b>Closing price</b> (inc. spread)	<b>Price</b> <b>change</b>	<b>Gross*</b> <b>Profit/Loss</b>	<b>SELL</b> Performance Scenario	<b>Closing price</b> (inc. spread)	<b>Price</b> <b>change</b>	<b>Gross*</b> <b>Profit/Loss</b>
<u>Favorable</u>	<u>1729.07</u>	<u>1.5%</u>	<u>1277.64 USD</u>	<u>Favorable</u>	<u>1677.97</u>	<u>-1,50%</u>	<u>1277.64 USD</u>
<u>Moderate</u>	<u>1716.30</u>	<u>0.75%</u>	<u>638.82 USD</u>	<u>Moderate</u>	<u>1690.74</u>	<u>0,75%</u>	<u>638.82 USD</u>
<u>Unfavorable</u>	<u>1677.97</u>	<u>-1.5%</u>	<u>-1277.64 USD</u>	<u>Unfavorable</u>	<u>1729.07</u>	<u>1,50%</u>	<u>-1277.64 USD</u>
<u>Stress</u>	<u>1618.34</u>	<u>-5%</u>	<u>-4258.80 USD</u>	<u>Stress</u>	<u>1788.70</u>	<u>5%</u>	<u>-4258.80 USD</u>

\*Indicates gross amount of profit/loss before fees. For net amounts please refer to Example 1 above.

#### 7. What happens if the Company is unable to pay out?

The Company segregates all its clients' funds from its own, in different bank accounts, in accordance with the Law. 87(I)2017 and the related Directive of the Cyprus Securities and Exchange Commission for the Safeguarding of financial instruments and funds belonging to clients. Moreover, the Company participates in the Investor Compensation Funds. The objective of the ICF is to secure claims of the covered Clients against members of the ICF, through the payment of compensation in cases where the member concerned is unable to pay out. The total payable compensation to each covered Client of the Company may not exceed the amount of twenty thousand euro (EUR 20,000). For further information, please refer to Cyprus and Securities and Exchange Commission website [www.cysec.gov.cy](http://www.cysec.gov.cy).

#### 8. What are the Costs? \*

<b>One-off Entry or Exit Costs</b>	<b>Spread</b>	The Difference between the Sell Price and Buy price
	<b>Minimum Commission</b>	The minimum fee charged for the service carrying out the transaction (it refers to Equity CFDs and Physical Shares)
<b>Ongoing Costs</b>	<b>Swaps</b>	If you hold a position open after market close, you will be subject to Swap Charge.

\* More information can be found on the website [www.apmefx.com](http://www.apmefx.com)

#### 9. How long should I hold it, and can I take money out early?

CFDs have no recommended holding period. Provided that the Company is open for trading you can open and close positions if the markets are open.

#### 10. How can I complain?

Please refer to the Clients Complaints Procedure listed on our website.

#### 11. Other Relevant information

We encourage you to read the Policies listed on our website. You can find the respective documents under the section Regulation. Such information is also available upon request.

Date: 31.05.2023