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: Index CFD

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

Licensed by: the Cyprus Securities and Exchange Commission (CySEC), License no. 143/11

Date of Production: 01/01/2018 Last Update: 12/09/2019

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

What is this product?

Type: This document provides key information on Contracts for Difference (CFDs) where the underlying asset is an index. 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.

Objectives: The objective of the CFD is to profit from changes in the price of the 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. In order to open a deal on a CFD instrument, the client must have sufficient margin ("**Margin**") in its account. The market for most indices is open 5 days a week from Sunday until Friday. For more details with regards to the initial margin requirements of this Product and specific trading hours, please refer to iCFD's Trading Conditions.

Intended retail investor: This product is intended for clients who meet all of the following criteria: (i) Persons who have an acceptable level of knowledge and/or experience to understand the characteristics of CFDs and risks associated with leverage and trading on margin; (ii) Persons who are able to sustain the risk of loss of their entire investment amount within a short period of time; (iii) Persons with risk-oriented objectives or speculative needs; and (iv) Persons who intend to use the Company's Products for short term investment, intraday trading, speculative trading.

CFDs 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 shown on - the trading platform continuously, and losses on the positions will affect the client's available 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. For more details please refer to iCFD's Trading Conditions.

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.

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

Risk Indicator

1	2	3	4	5	6	7

Lower Risk — Higher Risk

This product does not have a maturity date. The risk indicator assumes that you may not be able to buy or sell your CFD at the price you want due to the volatility of the market, or that you may have to buy or sell your CFD at a price that experiences significant loss.

This Product is classified as 7 out of 7, which is the highest risk class. 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. There is no capital protection against market or liquidity risk.

This product is a complex and high-risk product. A CFD product does not protect against any adverse future market performance. The prices of the underlying index future 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". The client must maintain sufficient margin to keep the held position(s) open. It is possible to buy or sell a CFD where the quote currency is different from the currency of the account. In this case the final amount debited or credited in the account will depend on the exchange rate between the two currencies.

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 set by the client.

Performance Scenarios:

Below are examples of performance scenarios of a CFD deal based on Japan 225 (USD). For more information on index-based CFDs, please refer to iCFD's Trading Conditions.

Assumptions:

Deal amount in units of base asset: 0.5 | Used margin (EUR): 800 (we assume that all funds available in the account are used as margin on this single position) | Leverage: 1:10 | Overnight Financing amount is at -1.06 EUR for Long Positions and at-0.06 EUR for Short Positions (we assume holding period is 1 night) | Spread is at 7.5 pips (we assume spread is already included in the opening and closing deal rates)

Favourable Scenario: This scenario assumes a Buy position of 0.5 index contracts and a 2% increase between the opening and the closing deal rate.	Deal Direction: Buy | Opening Deal Rate: 20,000 USD | Closing Deal Rate: 20,400 USD | Change: +2% | PL (EUR): +160.00 | PL (EUR) After O.F.: +158.94 | Return: +19.86%	Return on Equity: **+19.86%**
Unfavourable Scenario: This scenario assumes a Sell position of 0.5 index contracts and a 6% increase between the opening and the closing deal rate, when the margin protection mechanism comes into effect.	Deal Direction: Sell | Opening Deal Rate: 20,000 USD | Closing Deal Rate: 21,200 USD | Change: 6% | PL (EUR): -480 |PL (EUR) After O.F.: -480.06 | Return: -60.00%. However, assuming no slippage, margin protection mechanism will come into effect and the transaction will be closed once PL (EUR) will be -400.0 EUR with a Return -50%.	Return on Equity: **-50%**
Moderate Scenario: This scenario assumes a Buy position of 0.5 index contracts and -0.25% decrease between the opening and closing deal rate.	Deal Direction: Buy | Opening Deal Rate: 20,000 USD | Closing Deal Rate: 19,950 USD | Change: -0.25% | PL (EUR): -20.00 | PL (EUR) After O.F.: -21.06 | Return: -2.63%	Return on Equity: **-2.63%**
Stress Scenario: This scenario assumes a Buy position of 0.5 index contracts, where due to a downside gap of -12% in the market prices, it is impossible for the margin protection mechanism to close the said position at 50% of Used Margin and, by the time there is an incoming price, all available margin in the account is lost. Negative Balance Protection would be applied in this case, as otherwise the account equity would reach a negative level.	Deal Direction: Buy | Opening Deal Rate: 20,000 USD | Closing Deal Rate: 17,600 USD | Change: -12% | PL (EUR): -800 | Return: -100%	Return on Equity: **-100%**

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. **For more details, please refer to iCFD's Investor Compensation Fund**.

What are the costs?			
One-Off Costs	**Spread**	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 performance scenarios we will assume a position of 0.5 contracts in the Japan 225 (USD) index with a spread of 7.5 pips and a EUR/USD conversion rate of 1.2500. A pip in the Japan 225 (USD) index is equal to 1 point in price (e.g.: 1.00). 0.5 x 7.5 = 3.75 USD or 3.00 EUR. The amount of 3.00 EUR 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 -3.00 EUR.	Spread Cost = **-3.00 EUR** Spread Cost % on investment: **0.0375%**
Ongoing Costs	**Overnight Financing**	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 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 -1.06 EUR for Long Positions and at -0.06 EUR for Short Positions (Overnight financing amount = Overnight financing percentage (-0.013% for Long Positions and -0.001% for Short Positions) x Deal Amount in instrument currency (10,000 USD) with a EUR/USD conversion rate of 1.2500). For more details on how to calculate overnight financing please refer to iCFD's Trading Conditions.	Overnight Financing Amount for Long Positions = **-1.06 EUR** and for Short Positions = **-0.06 EUR** Overnight Financing % on investment amount for Long Positions: **-0.0133%** and for Short Positions = **-0.0006%**
Ongoing Costs	**Rollover and Rollover Spread**	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 iCFD's Trading Conditions. At the time of the rollover the customer will be charged again with a spread. This spread will be charged whenever a deal remains open at the time as the rollover is scheduled. The rollover is meant to offset the gap between the *current and the next* 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.	Spread Cost = **-3.00 EUR** Spread Cost % on investment: **0.0375%**

How long should I hold it and can I take the money out early? CFDs do not have a maturity date, they automatically rollover to the next trading day, therefore the Company does not in any way suggest a specific holding period for any type of position held in an account. 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 or via post to the address: Corner of Agiou Andreou & Venizelou Streets, Vashiotis Agiou Andreou Building, Second Floor, P.O.B. 54216, Limassol, Cyprus. The complaint should set out the client's name, account number and the 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. For more information, please refer to iCFD's Complaints' Procedure.

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 Trading Conditions. It is also a legal requirement for the Company to provide its clients with the following legal documents and policies: Client Agreement, Non-Leveraged Products Addendum, Risk Warning, Summary of the Order Execution Policy, Privacy Policy, Conflict of Interest Policy, Client Categorization Policy, Investor Compensation Fund, Client Complaints Procedure, Inducements Disclosure.