

## Key Information Document – Contract for Differences (CFD) on Precious Metals

### **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 of product	CFDs on Precious Metals
Name of PRIIP manufacturer	XF Services Ltd (the “Company”)
Website of PRIIP manufacturer	www.banxso.eu
Call telephone number for more information	+35722503156
Competent Authority of PRIIP manufacturer	Cyprus Securities and Exchange Commission (the “CySEC”)
Date of production of the KIID	2022



***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. Contract for Differences on a precious metal i.e. XAUUSD (Gold vs. US dollar). CFD trading allows a trader to speculate on rising or falling prices in an underlying Commodity. Even though you will never own the underlying asset, your return or loss depends on movements in the price of the underlying and the size of your position. This document provides key information on CFDs where the underlying investment option that you choose is a Commodity. A commodity trade allows you to take a position on a Commodity. You can visit our website for information on the underlying assets available to you.

**Objective:** The objective of trading CFDs is to gain a leveraged exposure to price movements and speculate on price movements (generally over the short term) in an underlying asset by obtaining an indirect exposure to the underlying asset. Your return depends on movements in the price of the underlying asset and the size of your stake. For example, if you believe the value of a Commodity is going to increase, you would buy a number of units of the CFD (this is also known as “going long”), with the intention to later sell them 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 Commodity is going to decrease, you should sell a number of units of the CFD (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, resulting in us paying you the difference, minus any relevant costs (detailed below).

**Intended Retail Investor:** CFDs are intended for investors who have knowledge of, or are experienced with, leveraged products and that understand how the prices of CFDs are derived, the key concepts of margin and leverage, the fact that losses may exceed deposits and have the appropriate financial means to bear losses of the entire amount invested.

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 this product 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 unable to pay you.						
1	2	3	4	5	6	7
There is no recommended or minimum holding period for this product. You must maintain sufficient margin in your account to keep your positions open. Trading on margin means you could quickly lose your trading balance.						

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets. We have classified this product as 7 out of 7, which is the highest risk class. This is due to the chance that you could lose all of your trading balance.

**Be aware of currency exchange risk.** If your account is denominated in a different currency to the quoting currency, your final return will depend on the exchange rate between these currencies. This risk is not considered in the indicator shown above.

Leveraged trading magnifies the losses of price movements and failure to deposit additional funds may result in the CFD being auto-closed. You are also subject to risks related to internet failures, communications failures and delays or account password theft.

This product does not include any protection from future market performance, so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. 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.

### Performance scenarios\*

This key information document is not specific to a particular product. It applies to a CFD on any commodity that we offer on our platform. However, each CFD you enter into with us is specific to you and your choices. You will be responsible for choosing the underlying commodity; when you open and close your position; the size of your position (and therefore the margin required, subject to margin limits for Commodity CFDs for Retail clients); and whether to use any risk management tools we offer such as stop loss orders. The table below shows the money you could potentially profit or lose under different scenarios. Each of the performance scenarios is based on an account with only one open position.

However, each scenario will also be impacted by any other open position(s) you have with us. These underlying products offered for each CFD will have a material impact on the risk and return of your investment. Specific information on our CFD is available at [www.banxso.eu/products/preciousmetals](http://www.banxso.eu/products/preciousmetals)

**\*The Performance scenario presented below are only an indication of some of the possible outcomes based on recent returns. Market developments in the future cannot be accurately predicted and actual returns could be lower.**

<i>The following assumptions have been used to create the scenarios found in Table 1 below:</i>		
CFD on a Precious Metals		
Index pair opening price:	(P)	€100
Trade size (per CFD):	(TS)	1000
Margin %:	(M)	10%
Leverage:	(L)	1:20
Margin Requirement (\$):	$MR = P \times TS \times M$	€20,000

Notional value of the trade (\$):		TN = MR x L		€200,000			
The scenarios also assume you do not make any further deposits on your account to meet margin calls.							
<b>Table 1: Performance Scenario</b>							
BUY/LONG				SELL/SHORT			
	Closing Price	Price change	Profit/Loss*	Performance Scenario	Closing Price	Price change	Profit/Loss*
Favourable Scenario	€103,00	1,5%	€3,000	Favourable Scenario	€98,50	-1,5%	€3,000
Moderate Scenario	€101,5	0,5%	€1,500	Moderate Scenario	€99,50	-0,5%	€1,500
Unfavorable Scenario	€98,50	-1,5%	€-1,5000	Unfavorable Scenario	€101,50	1,5%	€1,500
First Stressed Scenario	€95,00	-5%	€-10,000	Stressed Scenario	€105,00	5%	€-10,000
<b>* The loss is restricted to your account balance as we offer negative balance protection</b>							
<b>What happens if the Company is unable to pay out?</b>							
If the Company is unable to meet its financial obligations to you, this could cause you to lose the value of any position's you have with XF Services Ltd. However, in such cases, you may be eligible for Compensation under the Investors' Compensation Fund (ICF), which covers either the 90% of your cumulative covered claims or the amount of EUR 20,000, whichever is lower. If you wish you may get more information on the ICF. XF Services Ltd segregates your funds from its own money in accordance with the CySEC's Safeguarding of Client Asset rules. The indicator shown above does not consider this protection.							
<b>What are the costs?</b>							
<b>Composition of costs</b>							
Before you trade CFDs on Commodities, you should familiarize yourself with all the below costs for which you will be liable and which are capable of reducing your net profits or increase your losses. For more information on costs please view our General Fees Document. The below table portrays an illustration of types of costs along with their meaning:							
<b>This table shows the impact on return per year</b>							
<b>One-off costs</b>	Spread	The difference between the buy price and the sell price is called the spread. This cost is realized each time you open and close a trade.					
	Currency Conversion						
<b>On-going costs</b>	Financing	All positions on your account are subject to either a financing charge or a financing credit to reflect the cost of holding your position, and are calculated on a second by second continuous basis as opposed to an over-night daily basis. The financing cost is calculated on a per position basis and may be a charge or a credit, depending on whether the position is a buy/ long position or a sell/ short position, and after also taking into account the impact of our admin fee					
<b>Incidental costs</b>	Distributor	We may make payments from time to time to certain partners who introduce business to us. These payments may be based on the revenues we earn from your trading activity or alternatively a one-off fee when you first trade dependent on the size of your deposits.					
<b>How long should I hold it, and can I take money out early?</b>							
This product generally has no fixed term and will expire when you choose to exit the product or in the event that you do not have sufficient funds available to cover the margin requirement and we close your position in accordance with the margin close out rules. You should monitor the product to determine when the appropriate time is to exit.							
<b>How can I complain?</b>							
The Company has established and maintains a Complaints Handling Procedure. If you wish to submit a complaint you can submit by email to <a href="mailto:complaints@banxso.eu">complaints@banxso.eu</a> . If you do not feel your complaint has been resolved satisfactorily and are categorized as a Retail Client, you are able to additionally refer your complaint to the Financial Ombudsman Service, further information can be found at <a href="http://www.financial-ombudsman.gov.cy">www.financial-ombudsman.gov.cy</a> .							
<b>Other relevant information</b>							
The information contained in this information document should be read in conjunction with other legal documentation will in particular the contractual information available at <a href="http://www.banxso.eu/documentation">www.banxso.eu/documentation</a> under the legal documents.							