10 YEARS ONE | FINANCIAL MARKETS

Key Information Document – CFD on an FX pair

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

CFD on an FX pair is offered by C B Financial Services Ltd t/a One Financial Markets ("One Financial Markets", "we", "our" or "us"), a company registered in England and Wales, number 06050593. C B Financial Services Ltd is authorised and regulated by the Financial Conduct Authority in the United Kingdom, with Firm Reference Number 466201. Our website is www.onefinancialmarkets.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?

Type

This document relates to products known as contracts for difference which are more commonly referred to as CFDs. A CFD is a leveraged contract that an investor enters into with One Financial Markets on a bilateral basis and which allows speculation on rising or falling prices in an underlying FX pair. A CFD on an FX pair is more commonly known as forex, or FX and includes pairs described as major, minor and exotic.

FX is traded in currency pairs; the first currency listed is called the base currency and the second is called the quote (or 'counter' currency). The price of an FX pair is how much one unit of the base currency is worth in the quote currency. If the base currency rises against the quote currency, then a single unit of the base currency will be worth more units of the quote currency and the pairs' FX pair's price will increase. If it drops, the pair's price will decrease. An investor can buy (or 'go long') if he thinks the price of the FX pair will rise or sell (or 'go short') if he believes it will fall.

The price of the CFD is derived from the price of the underlying FX pair which is the current ('spot') price. If an investor is long EURUSD and the cash price of the underlying FX pair rises, the value of the CFD will increase and at the end of the contract we will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor is long EURUSD and the price of the underlying FX pair falls, the value of the CFD will decrease and at the end of the contract they will pay us the difference between the closing value of the contract and the opening vale of the contract. The spot CFD does not have a pre-defined maturity date and is therefore open-ended.

Objectives

The objective of the CFD is to allow an investor to gain leveraged exposure to the price movement in the underlying FX pair. To open a position an investor is required to deposit a portion of the total value of the contract and this is referred to as the margin requirement. Trading on margin can enhance any losses or gains made.

For example, if an investor buys 1 CFD of EURUSD with a contract size of 100,000 and an initial margin amount of 3.33% (or 30 to 1) and an underlying FX pair price of 1.1880, the initial investment will be $3,956.04 (3.33%*1.1880*100,000). Each 1 point change in the price of the underlying FX pair results in the value of the CFD changing by $10. If the investor is long and the market increases in value, a $10 profit will be made for every 1 point increase in that market. If the market decreases in value however, a $10 loss will be incurred for each point the market decreases. Conversely, if an investor holds a short position, a profit is made in line with any decrease in that market, and a loss for any increases in the market.

A negative price movement may lead to an increased margin balance and if an investor does not have sufficient funds in his account the CFD may be automatically closed ('liquidated').

Intended Retail Investor

CFDs are high risk products and therefore not appropriate for everyone. They are intended for investors who have experience with, or knowledge of, the financial markets and specifically the risks associated with trading leveraged products. They will likely be risk orientated and be trading with money they can afford to lose. Finally, they will normally be looking to gain short term exposures to these financial instruments and markets.

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 these products 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 not able to pay you.

We have classified these products 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level.

Be aware of currency risk. You can trade CFDs that are denominated in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

In some circumstances you may be required to make further payments to pay for losses. **The total loss you may incur may significantly exceed the amount invested.**

In some circumstances, for example if you do not maintain the minimum margin that is required, your CFD will be liquidated (closed) automatically by us.

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

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The following assumptions have been made to complete the scenarios in Table 1:

EURUSD	
Opening price	1.1880
Trade size ($ per point)	5
Margin %	3.33%
Margin Requirement ($)	$1,978.02
Notional Value ($)	$59,400

Table 1

LONG Performance scenario	Closing price (inc spread)	Price change	Profit/loss	SHORT Performance scenario	Closing price (inc spread)	Price change	Profit/loss
Favourable	1.2058	1.50%	**$891**	Favourable	1.1702	-1.50%	**$891**
Moderate	1.1939	0.50%	**$297**	Moderate	1.1821	-0.50%	**$297**
Unfavourable	1.1702	-1.50%	**-$891**	Unfavourable	1.2058	1.50%	**-$891**
Stress	1.1286	-5.00%	**-$2,970**	Stress	1.2474	5.00%	**-$2970**

The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if C B Financial Services Ltd is unable to pay out?

We segregate your money from our own funds in accordance with the UK FCA's Client Asset rules. However, if we are unable to meet our financial obligations to you, you may lose the value of your investment. Your investment is covered by the UK's Financial Services Compensation Scheme (FSCS) which covers eligible investments up to £50,000 per person, per firm. See www.fscs.org.uk

What are the costs?

The table shows the different types of costs involved when you trade a CFD on an FX pair:

One off costs	**Spread**	The spread is the difference between the buy (ask) price and the sell (bid) price. For example, if the instrument is trading at a mid-price of 1.1880, our ask price (the price at which you can buy) might be 1.18805 and our bid price (the price at which you can sell) might be 1.18795. The full cost of the spread is realised each time you open and close a trade.
	Commission	We do not charge commission but in the event you have been introduced to us by a third party we may charge you a commission that is repaid in full or in part to that third party. Commission is charged at both open and close and will vary depending on your account settings.
Ongoing costs	**Financing fees**	Financing fees (or 'interest', 'holding fees' or 'swaps') are charged on open positions held overnight. They will be credited or debited (as applicable) to your account at the close of the day. We calculate our financing charges on a daily basis using the applicable instrument price and our rate adjustment of LIBOR +1%. Financing fees are calculated as follows: Volume in lots x financing fee x minimum price increment
Incidental costs	**Third party fees**	Where applicable, we may share a proportion of the spread with the third party that has introduced you.

How long should I hold it and can I take money out early?

CFDs are intended for short term trading and in some cases intraday; they are generally not suitable for long term investments. There is no recommended holding period for this product, no cancellation period and therefore no cancellation fees. You can open and close a CFD on an FX pair at any time during market hours.

How can I complain?

If you wish to make a complaint you should contact the Compliance department on +44 203 857 2080, by emailing compliance@ofmarkets.com, or in writing to One Financial Markets, 20 Midtown, 20 Procter Street, London, WC1V 6NX.

If your issue is not resolved and/or you are not satisfied with our response you may refer your complaint to the Financial Ombudsman Service (FOS). See www.financial-ombudsman.org.uk for further information.

Other relevant information

The "Legal and Support" section on our website contains important information about your account. You should ensure you have read and understood all the terms of the Client Agreement including our Terms and Conditions, Order Execution Policy and Risk Warning Notice.