

KEY INFORMATION DOCUMENT

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: **Rolling FX Spot on Currency Pairs**

Any of two: EUR, USD, GBP, CHF, CAD, AUD, NZD, JPY, NOK, SGD, SEK, ZAR, TRY, RUB, DKK, MXN, CNY

Product Manufacturer: **STONE EDGE CAPITAL LIMITED**

Authorization: Registered by the Cyprus Securities and Exchange Commission under the number: 311/16,

Registered in the Registrar of Cyprus under the number: HE 351681

Website: www.stedcap.com, Telephone: +357 25 123234, Date of revision: 17.12.2019.

YOU ARE ABOUT TO PURCHASE A PRODUCT THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND!

WHAT IS THIS PRODUCT?

TYPE Rolling FX Spot is an instrument where the profit is to be secured or loss avoided by reference to fluctuations in an underlying currency pair, such the Euro (EUR) against the U.S. Dollar (USD).

Rolling FX Spot is not admitted to trading on organized trading venues. The positions you are taking in those instruments can be covered by the Company with other brokers (so called A-Book). Rolling FX Spot rely on leverage (ex., in case of 1:30 leverage and investment of EUR 1 000 you can open positions with a size up to EUR 30 000). The objective of the Rolling FX Spot an investor is to receive profits, which is mainly affected by the price and volatility of the underlying asset, the extent of leverage used by the investor and the associated costs of the trade. The price of the underlying asset is driven by demand and supply which is greatly affected by various factors such as important political events (e.g. elections, referendums, etc), central bank announcements, economic and geopolitical developments and investors' behavior.

This Product does NOT have a minimum holding period, thus does not have any maturity or termination date.

INTENDED RETAIL INVESTOR

Trading in this product will not be appropriate for everyone. This product would commonly be used by persons who want to generally gain short term exposures to financial instruments/markets; are using (trading with) money which they can afford to lose; have a diversified investment and savings portfolio; have a high risk tolerance; and understand the impact of and risks associated with margin trading.

Knowledge

Must have base knowledge about the FX products: - Basic principles of leveraged trading - Basic understanding of order types, profits & losses calculations, gaps.

Experience

Must have experience in FX trades trading.

Risk Tolerance

Must have an ability to bear risks of 100% losses of initial deposit.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

RISK

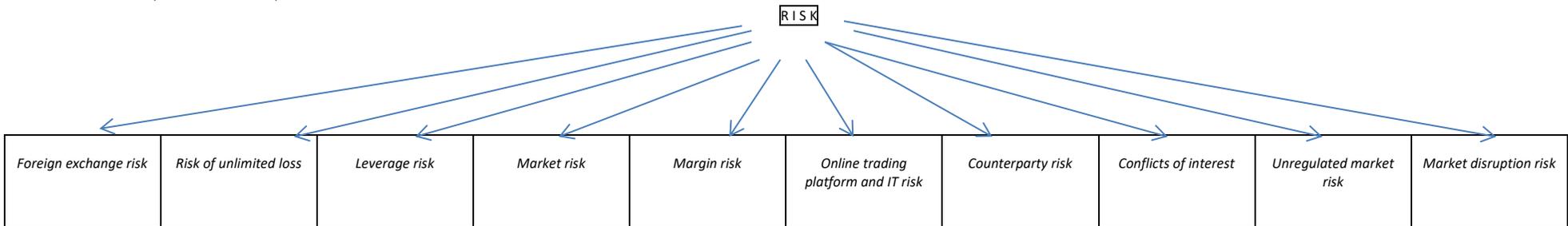


The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level. Be aware of currency risk. You may receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. There is no recommended holding period for Rolling FX Spot, however, very short holding period (less than 2 or 3 seconds) can be considered as non-appropriate.

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. Trading risks are magnified by leverage – the total loss you may incur may significantly exceed the amount invested. Values may fluctuate significantly in times of high volatility or market/economic uncertainty; such swings are even more significant if your positions are leveraged and may also adversely affect your position. As a result, margin calls may be made quickly or frequently. In the event of default, Stone Edge Capital Limited shall seek to immediately terminate, cancel and close-out all of part of any outstanding positions. Trade only after you have acknowledged and accepted the risks. You should carefully consider whether trading in leveraged products is appropriate for you.

PERFORMANCE SCENARIOS

There are a number of types of trading risk, including leverage risk, which you should be aware of before beginning to trade. Factors that affect the performance of the product can be –



In the worst possible case, the client's investment may incur losses that cannot be determined, and the customer may lose more than the total amount invested. If you held a long position (you bought), the loss will be more pronounced the greater the decrease in the price of the underlying exchange rate pair between the moment of opening and closing of the position. If you held a short position (you sold), the loss will be more pronounced the greater the price increase of the underlying exchange rate between the opening moment and the moment of closure of the position.

In the best possible case, the client's investment may incur un-recordable gains, and the customer can earn more than the total amount invested. If you held a long position (you bought), the gain will be more pronounced the increase the price of the underlying exchange rate pair between the opening moment and the closing moment of the position. If you held a short position (you sold), the gain will be more pronounced the greater the decrease of the price of the underlying exchange rate between the opening moment and the moment of closure of the position.

WHAT HAPPENS IF STONE EDGE CAPITAL IS UNABLE TO PAY OUT?

Stone Edge Capital Limited is an investment company based on Cyprus that provides a full range of brokerage services in the international stock markets and foreign exchange (forex) regulated by the Cyprus Securities Exchange Commission, (www.cysec.gov.cy) with its registered number: 311/16.

In case of insolvency of Stone Edge Capital Limited the retail clients have the right for compensation from Investors compensation fund. The maximum amount of compensation paid to applicants, who will be deemed as eligible for compensation, is EUR 20 000. The said coverage applies to the total amount of claims by applicant against an ICF member, irrespective of the number of accounts, the currency and the place of provision of the service.

More information you can find on Cyprus Securities Exchange Commission website - <https://www.cysec.gov.cy/en-GB/complaints/tae/information>

WHAT ARE THE COSTS?

Before you begin to trade Rolling FX Spot you should familiarize yourself with all commissions, fees, and other charges for which you will be liable. These charges will reduce any net profit or increase your losses.

BREAKDOWN OF POSSIBLE COSTS ASSOCIATED WITH ROLLING FX SPOT:

1. One-off costs which can include
 - spread (difference between the bid (sell) price and the offer (buy) price,
 - trade commission (fee for the services),
 - profit/loss currency conversion (fee for converting realized profit/loss from the instrument currency to the account currency).
2. Ongoing costs which can include
 - tom/next swap points (swap points used are calculated using the tom/next swap feeds from Tier-1 banks, plus/minus a mark-up),
 - financing of unrealized profit/loss (any unrealized profit/loss that is rolled from one day to the next is subject to an interest credit or debit).

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

Rolling FX Spot has no recommended holding period. Provided that Stone Edge Capital Limited is open for trading you can enter and exit positions at any time.

HOW CAN I COMPLAIN?

If you as a client or a prospective client of Stone Edge Capital Limited have raised a question or an issue with Stone Edge Capital Limited you can contact our Client support: +357 25 654097. You can also submit a complaint without receiving a satisfactory answer from Client support team and send it by email: support@stedcap.com along with a copy of any additional documentation that would be relevant to the complaint. If you are not satisfied with the response to your complaint, you may file a complaint directly to the regulator by following the steps described under the Complaints policy on our website: https://stedcap.com/docs/Client_Complaints_Policy.pdf

OTHER RELEVANT INFORMATION

Please refer to our website for any other information.