

KEY INVESTOR INFORMATION DOCUMENT

CFDS ON INDICES

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: Contract for difference ("CFD") on Indices.

Provider: **Royal CM Limited** (hereinafter the "Company"), regulated by Vanuatu Financial Services Commission (VFSC) with License Number 7000284.

Further information: You can find more information about Royal CM Limited and our products on our website. You can contact us using the details on our website <https://www.oneroyal.com/vu/en/support/contact-us> or by calling +1 (888) 705-9006. This document was last updated on 4th of November 2022.

Alert: 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. A CFD allows you to obtain an indirect exposure to an underlying asset such as a security, commodity or index. This means you will never own the underlying asset, but you will make gains or suffer losses as a result of price movements in the underlying asset to which you have the indirect exposure. This document provides key information on CFDs where the underlying investment that you choose is financial index.. An index derivative is a contract with an index itself as the underlying asset. You can visit <https://www.oneroyal.com/vu/en/markets/indices> for information on the underlying assets available to you.

Objectives

The objective of trading CFDs is to 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. This product is commonly traded on margin/leverage. Margin refers to the use of a small amount of capital to support an investment of a larger exposure. Please note that margin/leverage trading requires extra caution, because whilst you can realize large profits if price moves in your favor, you also risk extensive losses if the price moves against you.

Intended Retail Investor

Trading these products will not be appropriate for everyone. We would normally expect these products to be used by persons who: have a high-risk tolerance; are trading with money they can afford to lose; have experience with, and are comfortable trading on, financial markets and, separately, understand the impact of and risks associated with margin trading; and want to generally gain short term exposures to financial instruments/markets, and have a diversified investment and savings portfolio.

Term

CFDs have no maturity date or minimum holding period. You decide when to open and close your positions.

We are under the obligation to close your position without seeking your prior consent if you do not maintain sufficient margin (less than 50% of the initial margin) in your account. More information about when we can close your position is set out below.

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 not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This is due to the high likelihood of losing your entire investment and facing losses that can exceed your account balance (in this scenario the Company will offset any negative balances capping your maximum loss to the amount of your account).

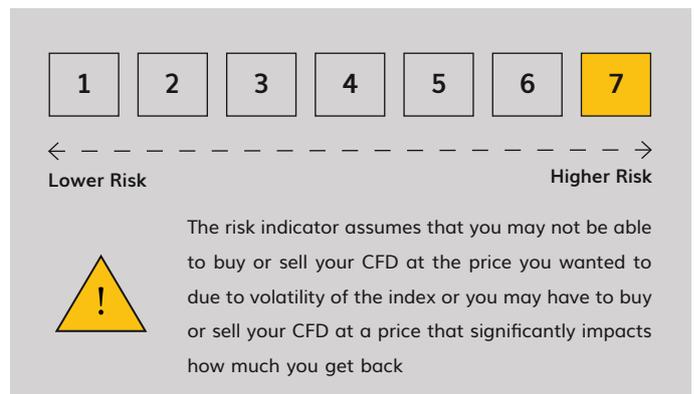
CFD trading requires you to maintain a certain level of funds in your account to keep your positions open. This is called margin. You will be able to open a position by depositing only a small percentage of the notional value of the position, creating a leveraged position. Leverage can significantly magnify your gains and losses. If the funds in your account are no longer sufficient to keep your position open, you will be required to make up this shortfall. This is a margin call. If you do not meet your margin call, we may close your position (immediately and without notice) and you will realize any losses. Our CFDs are not listed on any exchange, and the prices and other conditions are set by us in accordance with our best execution policy. The contract can be closed only, and are not transferable to any other provider. If you have multiple positions with us, your risk may be cumulative and not limited to one position. The tax regime of the country in which you are domiciled may impact your return.

Be aware of currency risk

It is possible to buy or sell CFDs in a currency which is different to the base currency of your account. The final return you may get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Performance Scenarios

This key information document is not specific to a particular product. It applies to a CFD on any index. However, each CFD you enter into with us is specific to you and your choices. You will be responsible for choosing the underlying asset; when you open and close your position; the size of your position and your margin; and whether to use any risk mitigation features we offer (such as stop loss orders), for example.



Example:

INDICES							
US30 Held Intraday							
Opening Price		P		25035			
Trade Size		TS		1 unit			
Margin %		M		10%			
Margin Requirements (\$)		MR=P*TS*M		2503.5			
National Value of the Trade (\$)		TN=P*TS		\$25,035.00			
Long	Closing Price	Price Change	Profit/Loss	Short	Closing Price	Price Change	Profit/Loss
Performance Scenario				Performance Scenario			
Favorable	25285.35	1.0%	\$250.35	Favorable	24784.65	1.0%	\$250.35
Moderate	25160.175	0.5%	\$125.17	Moderate	24909.825	0.5%	\$125.17
Unfavorable	24909.825	-0.5%	(\$125.17)	Unfavorable	25160.175	-0.5%	(\$125.17)
Stress	24784.65	-1.0%	(\$250.35)	Stress	25285.35	-1.0%	(\$250.35)

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower. 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. This performance scenario assumes you only have one position open, and does not take into account the negative or positive cumulative balance you may have if you have multiple open positions with us.

The stress scenario above shows how small price movements can rapidly lead to losses and in this circumstance, will result in a forced close out of your position.

This does not take into account a situation where we are unable to pay you. 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 and are not exact indicators. What you get will vary depending on how the market performs and how long you keep the investment.

WHAT ARE THE COSTS?

Before you begin to trade CFDs you should familiarise yourself with all one-off and ongoing costs for which you will be liable. These charges will reduce any net profit or increase your losses. For more information, please visit our [website](#).

The table shows the different types of cost categories and their meaning

One-off costs	Spread	The difference between the buy and sell price is called the spread.
	Commision	Commission is only charged on our ECN Account and is floating depending on the account equity and trading volume. It is one charge for both opening and closing position.
	Currency Conversion	This is a charge for converting realized profit/loss from the instrument currency to the account currency.
Ongoing costs	Overnight fees	Overnight fees is for every day a Client keeps the position open. Depending on the position held and the Company's prevailing interest rates, the Client account may be credited/debited with the overnight cost.

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

This product generally has no fixed term and will expire when you choose to exit the product or in the event you do not have available margin. CFDs are intended for short term trading, in some cases intraday and are generally not suitable for long term investments. There is no recommended holding period, no cancellation period and therefore no cancellation fees. You can open and close a CFD at any time during market hours.

OTHER RELEVANT INFORMATION

You should ensure that you read the terms of business, order execution policy and risk warning notice displayed in the legal section of our website, at <https://www.oneroyal.com/vu/en/legal/legal-agreements>. Such information is also available on request.

HOW CAN I COMPLAIN?

If you wish to make a complaint, you should contact our client services team on +1 (888) 705-9006, or email complaints@oneroyal.com.vu. If you do not feel your complaint has been resolved satisfactorily, you are able to refer your complaint to the Financial Ombudsman of the Republic of Vanuatu. See <https://www.ombudsman.gov.vu/> for further information.