



**Ebury** What borders?®

Key information Document

# Foreign Exchange Forward Contract

## Purpose

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This document provides you (the "Client") 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:** Foreign Exchange Forward Contract

**Manufacturer:** Ebury Partners Markets LTD (EPM) , operating as a MiFID Investment Firm.

The company's contact details:

**Address:** 100 Victoria Street, SW1E 5JL, London, UK

**Telephone number:** +44 (0) 20 3872 6670

**Email:** info@ebury.com

**Date of Update of KID:** 18/10/2022



**CAUTION:** This product is not simple and may be difficult to understand.

## What is this product?

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### Type:

The product is an "over-the-counter" (OTC) Foreign Exchange Forward Contract derivatives contract

### Objectives:

The product is a complex financial instrument linked to the exchange rate between Euro (EUR) and US Dollar (USD) (the underlying). Terms in bold are described in more detail below.

By entering into this product, you are required to purchase EUR against USD on the maturity date at a fixed EUR/USD exchange rate (the forward exchange rate) in an amount equal to the contractual amount irrespective of the performance of the underlying.

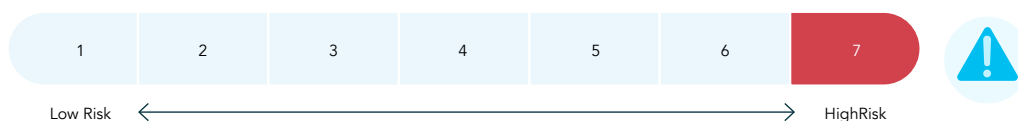
Having fixed the exchange rate upfront, on the expiration date:

- If EUR appreciates against USD, you will pay fewer USD on the expiration date than if you purchased EUR at the prevailing exchange rate at that time.
- If EUR depreciates against USD, you will pay more USD on the expiration date than if you purchased EUR at the prevailing exchange rate at that time.
- The product does not pay any interest or other periodic amount during its lifetime.

### Term:

The terms of the product can vary between a range of 1 week to 6 years. The product does not provide the option that if certain extraordinary events occur, you and/or the product manufacturer can terminate the product early. Therefore the product cannot be terminated. You may nevertheless enter into an additional counter transaction that offsets the economic effect of this contract.

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



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 and poor market conditions may impact our capacity to pay you. Losses can be up to the entire amount invested, if you are a Retail Client as you benefit from negative balance protection measures. However, there is no capital protection against market risk, credit risk or liquidity risk.

**Be aware of Foreign Exchange Risk. You will receive payments in a different currency, so the final return will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**

The total loss you may incur is only your invested capital. This product does not include any protection from future market performance, so you could lose all of your investments. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the investor compensation fund (see the section "what happens if we are unable to pay you"). The indicator shown above does not consider this protection.

## Performance scenarios

|  |            |
|--|------------|
| <b>Assumption: Foreign Exchange Forward Contract</b> |            |
| <b>Opening Price</b>                                 | 1.03       |
| <b>Trading Size</b>                                  | 10,000 EUR |

| Long Performance Scenario | Closing Price | Price Change | Profit/Loss | Short Performance Scenario | Closing Price | Price Change | Profit/Loss |
|---------------------------|---------------|--------------|-------------|----------------------------|---------------|--------------|-------------|
| <b>Unfavourable</b>       |               |              |             | <b>Favourable</b>          |               |              |             |
| <b>Favourable</b>         | 0.9910        | 3.3%         | 330 EUR     | <b>Favourable</b>          | 1.0639        | 3.3%         | 330 EUR     |
| <b>Moderate</b>           | 1.0609        | -2.97%       | - 297 EUR   | <b>Moderate</b>            | 0.9960        | -2.97%       | - 297 EUR   |
| <b>Unfavourable</b>       | 1.1307        | -9.78%       | -978 EUR    | <b>Unfavourable</b>        | 0.9293        | -9.78%       | -978 EUR    |
| <b>Stress</b>             | 1.3406        | 30.16%       | - 3,016 EUR | <b>Stress</b>              | 0.7194        | 30.16%       | - 3,016 EUR |

This table shows you the money you could get back under different scenarios, assuming that you invest in a particular virtual currency pair. 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 profit/lose will vary depending on how the market performs and how long you keep your position open. 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 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. These performance scenarios assume you only have one position open and do not take into account the negative or positive cumulative balance you may have if you have multiple open positions with us.

## What are the costs?

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### COMPOSITION OF COSTS

Before initiating trading on Foreign Exchange Forward Contract, you should familiarise yourself with all associated costs and charges, as presented herein. For more information on costs and charges please refer to our website. The total costs consider one-off, ongoing and incidental costs listed below. The amounts shown here are cumulative costs of the product itself when you close your position.

|                      |                             |      |   |
|----------------------|-----------------------------|------|---|
| <b>One Off Costs</b> | Entry Cost                  | 0.5% | The impact of the costs you pay when entering your investment. The impact of the costs already included in the price. This is the most you will pay and you could pay less. This includes the cost of distribution of your product. |
|                      | Exist Cost                  | N/A  | The impact of the costs of exiting your investment when it matures.   |
| <b>Ongoing Costs</b> | Portfolio Transaction costs | N/A  | The impact of the costs of us buying and selling underlying investments for the product.  |

## How long should I hold a position or can I close out early?

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The product is designed to be held until the maturity date. It does not provide for an early termination right of the investor other than the termination right upon occurrence of certain extraordinary events set out above under "Term" in Section 'What is this Product', if any. Therefore, investors should be prepared to stay invested for the term of the product.

## How can I complain?

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You are entitled to lodge a complaint at any time and free of charge. You may submit your formal duly complaint form along with information including your trading account number, the cause of your complaint and date of the event. The Complaints Form is available at the Company's Website or you can send an email to [complaints@ebury.com](mailto:complaints@ebury.com) by post at the head office address specified above. EPM will confirm within five (5) business days the receipt of your complaint and provide you with your Unique Reference Number (the "URN"). Further details of the Company's procedure is available on our website. In the event that the final decision does not satisfy you, you may also refer your complaint to the Financial Ombudsman Service (the "FOS"). The FOS is an independent service for settling disputes for finance businesses and their clients.

Details for the Financial Ombudsman Service are available in its website:

<https://www.financial-ombudsman.org.uk/>

## Other relevant information

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The information contained in this document should be read in conjunction with other legal documents available on our website.

**Ebury**

[epm@ebury.com](mailto:epm@ebury.com) | [epm.ebury.com](http://epm.ebury.com)

Ebury Partners Markets Ltd ("EPM") is authorised and regulated by the Financial Conduct Authority as an Investment Firm to MiFID derivative products.  
Reference number: 784063 with registered office 100 Victoria St, London SW1E 5JL.

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