

## **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, costs, risks and rewards of this product and to help you compare it with other products.

## **PRODUCT**

This product is offered by Fidus Investments Cyprus Limited, (“Fidus”, “we” or “us”), which is authorized and regulated by the Cyprus Securities and Exchange Commission.

Website: [www.fidusinvestments.eu](http://www.fidusinvestments.eu) | Email: [info@fidusinvestments.eu](mailto:info@fidusinvestments.eu) | Telephone: +357 22502900 This document was created/ last updated on 2 January 2018.

## **ALERT**

You are about to trade a complex product and may be difficult to understand.

## **WHAT IS THIS PRODUCT?**

An FX Forward Outright is a contract where the profit it 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), referred to as EURUSD, for future delivery.

## **OBJECTIVES**

The objective of trading an FX Forward Outright is to gain exposure to fluctuations related to the underlying currency pair without owning it. Your return depends on the size of the performance (or movement) of the underlying currency pair and the size of your position. This product is entered into for the purpose of speculation or hedging and is commonly traded on margin. Margin refers to the use of a small amount of capital to support an investment of a larger exposure. Please note that margin trading requires extra caution, because you risk extensive losses if the price moves against you.

**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.

**TERM**

An FX Forward Outright is an execution-only product and generally therefore has no recommended holding period. An FX Forward Outright has tradable tenors from 1 day to 12 months. FX Forward Outright trades do not settle. Instead, when the value date of an open FX Forward Outright position equals the current spot value date, it will be treated as a normal Rolling FX Spot position. From that point on, positions held at the end of a trading day are rolled forward to the next available business day.

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

**RISK INDICATOR**



LOWER RISK

HIGHER 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.

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, Fidus shall seek to immediately terminate, cancel and close-out all or 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. Information on factors that affect the performance of this product are detailed here - including but not limited to;

- Leverage risk
- Risk of unlimited loss
- Margin risk
- Foreign exchange risk
- Market risk
- Unregulated market risk
- Market disruption risk
- Counterparty risk
- Online trading platform and IT risk
- Conflicts of interest

### **WHAT HAPPENS IF FIDUS IS UNABLE TO PAY OUT?**

If Fidus is unable to meet its financial obligations to you, you may lose the value of your balance. However, we segregate all retail client funds from our own money in accordance with our regulatory requirements. Fidus also participates in the Investor Compensation Fund ('ICF'), which covers eligible investments up to 20,000 Euro per person, per firm. More information can be found in the ['Investor Compensation Fund Policy'](#)

**WHAT ARE THE COSTS?**

Before you begin to trade an FX Forward Outright 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. For more information please contact our Trading Desk at: [trading@fidusinvestments.eu](mailto:trading@fidusinvestments.eu)

BREAKDOWN OF POSSIBLE COSTS ASSOCIATED WITH AN FX FORWARD OUTRIGHT		
One-off costs	Spread	The difference between the bid (sell) price and the offer (buy) price. Spread is dependent on many different factors, including but not limited to, the underlying liquidity and volatility, time of day and notional trade size.
	Commission	The fee charged for the service of carrying out the transaction, subject to a minimum fee on small notional trade sizes.
	Profit/Loss Currency Conversion	The fee charged for converting realized profit/loss from the instrument currency to the account currency.
Ongoing costs	Financing of unrealized profit/loss (Financing Interest)	Any unrealized profit/loss is subject to an interest credit or debit.

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

An FX Forward Outright has ***no recommended holding period.***

Provided that Fidus 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 Fidus have raised a question or an issue for instance with your account manager or another employee of Fidus without receiving a satisfactory answer you may file a complaint with Fidus as per below. If you wish to make a complaint, you can submit it by email to [compliance@fidusinvestments.eu](mailto:compliance@fidusinvestments.eu)

For more details please see our '[Complaints Handling Procedure](#)'. If you are not satisfied with our final response to your complaint, then you can contact the Financial Ombudsman of the Republic of Cyprus.