

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

Name of Product: Rolling Spot Bullion, CFI Code: JTKXCC

Date of Production: 2 January 2018

Name of PRIIP Manufacturer and competent authority: LMAX Global is a trading name of LMAX Broker Limited which is authorised and regulated by the Financial Conduct Authority (firm reference number 783200) and is a company registered in England and Wales (number 10819525).

Website: <https://www.lmax.com/global>

Call: +44 20 3192 2555 for more information.

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

WHAT IS THIS PRODUCT?

Type: This product is considered a leveraged Over the Counter derivative instrument. It is a rolling contract, traded in notional volume, where the value of the trade derives from the spot price of the precious metal.

Objectives: Short Term Investment returns from price fluctuations in volatile markets.

Intended Retail Investor: This product is designed for short term speculative investors with experience in trading in volatile liquid markets.

Term: Rolling Spot Bullion contracts have no maturity date and open positions will be rolled onto the next day unless the client closes his/her position, or if the positions are closed by LMAX Global during an Event of Default (please see our Terms of Business for further information).

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.

Our services involve a high degree of gearing or leverage. This can work for and against you as a relatively small movement in the price of the financial instrument may result in you achieving a profit but equally may result in you incurring loss. Furthermore, where there is low liquidity, it may not be possible to close your open trades immediately. During this period the value of your open trades could fall significantly. Fluctuations in markets outside our control and the historical performance of a financial instrument is no indication as to its future performance. In some circumstances you may be required to make further payments to pay for losses. **The total loss you may incur may be significant.**

For further information please see our see Risk Warning Notice.

PERFORMANCE SCENARIOS

The performance scenarios are based on trading Gold (Spot) for a 30-day period as represented by the candlestick chart. The horizontal axis of the chart shows the day that Gold is being traded and the vertical axis shows the spot price of Gold in USD.

The chart read in conjunction with the tables illustrate how your investment may perform in different market scenarios depending on whether you were buying or selling Gold. You can compare them with the chart and tables of other derivatives. The scenarios presented are indicative of possible outcomes based on evidence from the past on how the value of this investment varies. These are not an exact indication of your returns. What you get will vary depending on how the underlying will develop i.e. how the market performs and how long you hold your position. For each value of the underlying, the tables show what the profit or loss of the product would be. The example figures shown in the tables include all the costs of the product itself. Your maximum loss may include all your investments plus any additional payments for those losses.

Investment = Gold (Spot)

The below table shows four clients entering into trades indicated by the arrows on the adjacent graph.



Client	Deposit	Open Time	Type	Volume	Open Price
A	10000	2016.12.20	Buy	1	1129.48
B	10000	2016.11.30	Buy	1	1180.3
C	10000	2016.12.12	Sell	1	1166.01
D	4000	2016.11.23	Buy	1	1214.9

SCENARIOS

The table below indicates what the clients would expect to receive if they chose to close their trades on the same day, after one week and after one month. The equity shown at each time interval is equal to the unrealised profit and loss on the clients' accounts.

Scenarios	Client	1 day				1 week					1 month					Stress Event			
		Close Price	P&L	Equity	Comm	Close Price	P&L	Equity	Comm	Financing	Close Price	P&L	Equity	Comm	Financing	Close Price	P&L	Equity	Comm
Favourable	A	1132.04	256	10256	-6.15	1133.34	386	10386	-6.15	-62.6	1207.66	7818	17818	-6.15	-268				
Unfavourable	B	1172.42	-788	9212	-6.37	1170.18	-1012	8988	-6.37	-56.8	1160.27	-2003	7997	-6.37	-246				
Moderate	C	1175.02	-901	9099	-5.83	1163.01	300	10300	-5.83	-45.2	1165.96	5	10005	-5.83	-210				
Stressed	D															1181.72	-3318	628	-6.31

Providing there are no other active trades on the clients' accounts if the clients close their position at each time interval the equity is equal to their account balance. The profit and loss figures for each trade will be subject to a commission charge and financing charge displayed. Trades held over-night are subject to financing charges as indicated in the table, further information for which can be found in the cost section.

Client A: The client entered their trade after a period of market decline as shown by the green arrow. However, as the gold demand continually increased after this period, the client would continually make a profit regardless of when they close their trade.

Client B: Client B entered the market during its decline as shown by the red arrow hence Client B continually makes a loss regardless of when they close their trade.

Client C: The client enters the market at the point indicated by the blue arrow. The market sustains an increase in price during the trading day which results in a loss for the client if they chose to close their position. If the client closed their position at the end of the week they would benefit from the declining market and make a profit. If the client closed their position after a month they would break even as the small profit they did make would be lost to financing charges incurred by holding their position for 30 days.

Client D: Client D enters the market on a day of major price movement as shown by the orange arrow. During this trading day several news events result in volatile price movement. This volatile price movement caused a major loss on Client D's account. Due to insufficient funds on account Client D has reached his Margin Close Out Level therefore his trade has been closed automatically at a loss. For further information on Margin Close Out Levels please see the LMAX trading manual. In order for LMAX to accept an opening Order from clients, their Available to Trade Balance will normally be required to contain sufficient resources to cover the margin required for the Orders that they wish to place. The Margin Required to place an Order to open a trade is calculated by multiplying (a) the number of contracts requested (b) by the contract size (c) by the opening price shown (for a Market Order) or the specified price (for a Limit Order) (d) by the Margin Factor for the relevant Instrument. The Margin Close Out Level for LMAX Accounts is 70%

WHAT HAPPENS IF LMAX IS UNABLE TO PAY OUT?

You are exposed to the risk that the manufacturer might be unable to meet its obligations in connection with the product for instance in the event of bankruptcy or insolvency. This may materially adversely affect the value of the product and could lead you to incur a significant loss. Notwithstanding, we segregate your funds in line with the FCA's Client Money Rules. In addition, you are covered by the Financial Services Compensation Scheme. For further information see www.fscs.org.uk.

WHAT ARE THE COSTS?

Composition of Costs One-off Transaction costs

Trading Commission %	We will charge a commission for each opening and closing trade on your Account. Unless otherwise agreed with you our commission is a fee as a % of notional traded for Spot Bullion contracts. The commission rates that we charge are subject to change including but not limited to third party services.	<table border="1"> <thead> <tr> <th colspan="2">Instruments</th> <th>Standard</th> </tr> </thead> <tbody> <tr> <td>Rolling Bullion</td> <td>Spot</td> <td></td> </tr> <tr> <td colspan="2">All Metals</td> <td>0.0025% of the notional traded in the named currency</td> </tr> </tbody> </table>	Instruments		Standard	Rolling Bullion	Spot		All Metals		0.0025% of the notional traded in the named currency
Instruments		Standard									
Rolling Bullion	Spot										
All Metals		0.0025% of the notional traded in the named currency									

Ongoing costs

Financing Charges (F)	Financing charges are applied to positions held overnight; these charges will be debited from or credited to your account. Please see the UI Trading Manual https://www.lmax.com/pdf/trading-manual and MT4 Trading Manual for worked examples https://www.lmax.com/pdf/mt4-trading-manual .	LMAX UI: $F = \text{swap points} \times 10 \times \text{tick value} \times \text{number of Contracts open} \times \text{number of days rolled}$ LMAX MT4: $F = \text{Swap charge} \times \text{Quantity} \times \text{MT4 Tick Value} \times \text{Number of days rolled}$.
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HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

LMAX Global does not provide you with any investment advice, our trading service is execution only and we execute trades based on your instructions.

HOW DO I COMPLAIN?

If you have a complaint about any aspect of our service then we would like to hear from you. You can contact us by telephone or in writing, by post or fax on the details given below:

Telephone: +44 20 3192 2555 (Sun 22.05 to Fri 22.00 GMT). All calls will be recorded for compliance and training purposes

Fax: +44 20 3192 2500

Email: info@LMAX.com

Address: LMAX Global, Yellow Building, 1A Nicholas Road, London W11 4AN, United Kingdom. For further information please see our complaints handling procedure at <https://www.lmax.com/pdf/Complaints-Policy.pdf>

OTHER RELEVANT INFORMATION

If there is anything in this Notice you do not understand, please contact our Helpdesk.

List of Instruments: <https://www.lmax.com/pdf/Instrument-list-and-charges.pdf>

Complaints Policy: <https://www.lmax.com/pdf/Complaints-Policy.pdf>

Risk Warning Notice: <https://www.lmax.com/pdf/Complaints-Policy.pdf>

Terms of Business: <https://www.lmax.com/pdf/terms-of-business>

Trading Manual: <https://www.lmax.com/pdf/trading-manual>

MT4 Trading Manual: <https://www.lmax.com/pdf/mt4-trading-manual>