KEY INFORMATION DOCUMENT
CFD 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, costs, risks and rewards of this product and to help you compare it with other products.

PRODUCT
Contact us on +44 20 7151 2000 for more information. SCML is authorised and regulated by the Financial Conduct Authority, Firm Reference Number, 551422. This Key Information Document was published on 3 January 2018.

ALERT
You are about to purchase a product that is not simple and may be difficult to understand.

WHAT IS THIS PRODUCT?

TYPE
This is a 'Contract for Difference' ("CFD"). It allows you an indirect (also described as "synthetic") exposure to an underlying product or financial instrument (for example, to a security, commodity or index). You will have no direct interest in the underlying product/financial instrument. Accordingly, you can make gains or suffer losses as a result of price or value movements in relation to the underlying product or financial instrument to which you have the indirect exposure. Visit home.saxo for further information in relation to the CFDs on Indices available.

OBJECTIVES
The objective of trading a CFD is to gain exposure to movements related to a financial product, benchmark or instrument without owning it. Your return depends on the size of the performance (or movement) of the underlying instrument and the size of your position. For example, if you believe the value of an Equity Index is going to increase, you would buy a number of CFDs ("going long"), with the intention to later sell them when they are at a higher value. The difference between the buy price and your subsequent sell price would equate to your profit, minus any relevant costs (detailed below). If you think the value of an index is going to decrease, you would sell a number of CFDs ("going short") at a specific value, expecting to later buy them back at a lower value than you previously agreed to sell them for, resulting in SCML paying you the difference, minus any relevant costs (detailed below). However, if the underlying instrument moves in the opposite direction, and your position is closed, you would owe SCMLfor the amount of loss you have incurred (together with any costs). This product 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 whilst you can realise large profits if the price moves in your favour, you risk extensive losses if the price moves against you. More information about margin trading can be found here.

INTENDED RETAIL INVESTOR
Trading in this product will not be appropriate for everyone. The product would most commonly be utilised 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
This relates to CFD futures but this is CFD on indices

CFDs on Indices are execution only products and generally therefore have no fixed or suggested maturity date. It is up to you to open and close your position, however your position will only be kept open to the extent that you have available margin. Specific information on each underlying investment option can be found here.

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

RISK INDICATOR

1	2	3	4	5	6	**7**

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 depend 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, and in the event of default, your positions may be closed out. 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

Specific trading examples in this product can be found here.

WHAT HAPPENS IF SCML IS UNABLE TO PAY OUT?

SCML is a member of the Financial Services Compensation Scheme (**www.fscs.org.uk**). In the unlikely event that SCML is unable to pay client compensation claims against it, eligible claimants would be able to make a claim under the Financial Services Compensation Scheme, subject to a maximum payment to any eligible investor of 100% of the first £50,000. If a bank holding client money goes into liquidation, the losses would be shared by all clients in proportion to their share of SCML's overall client money position. In respect of a UK authorised bank, these losses would be covered by the FSCS up to a limit of £85,000 per person, per banking group for each individual SCML client.

WHAT ARE THE COSTS?

Before you begin to trade CFDs on Indices you should familiarise yourself with all one-off, ongoing, and incidental 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.

KEY INFORMATION DOCUMENT
CFD INDICES

THIS TABLE SHOWS THE DIFFERENT TYPES OF COSTS FOR CFDS ON EQUITY INDICES		
One-off costs	Spread	The difference between the Bid (Sell) and the Ask (Buy) price is called the spread.
	Currency Conversion Fee	The fee charged for converting realised profit/loss from the instrument currency to the account currency.
Ongoing costs	Overnight Financing	If you hold a long or a short position open after the market close, you will be subject to an Overnight Financing charge.
Incidental costs	–	–

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

Recommended holding period: NO RECOMMENDED HOLDING PERIOD

CFDs on Indices have no recommended holding period. Provided that SCML is open for trading you can enter and exit positions at any time.

HOW CAN I COMPLAIN?

Any query you have should be raised with your normal contact at SCML or with the Client Account Services team, as usually these can resolved at the time.

If after raising the matter with your normal contact your complaint has not been resolved to your satisfaction, you should direct your complaint to the Compliance Department, preferably by email at **ukcompliance@saxomarkets.com**. The Compliance Department will then handle your complaint in accordance with SCML's complaint handling procedure and aim to send a final written response to you within 8 weeks of the receipt of your complaint.

If more than 8 weeks from the date of your complaint have passed, or you are dissatisfied with the final response you have received, if you are an eligible complainant you can refer your complaint to the Financial Ombudsman Service ("FOS") at Exchange Tower, London E14 9SR, email: **complaint.info@financial-ombudsman.org.uk**, tel. 0800 023 4567 or 0300 123 9123 or from abroad +44 20 7964 0500 (**www.financial-ombudsman.org.uk**). Please note you must refer your complaint to the FOS within 6 months of the date of our final response.

OTHER RELEVANT INFORMATION

Please refer to our website for any other information