

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: Energy CFD, CFI Code: JTJXCC

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 contract for difference, traded in notional volume, where the value of the trade derives from the spot price of the energy.

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: Energy CFD 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 Risk Warning Notice.

PERFORMANCE SCENARIOS

The performance scenarios are based on trading the Energy CFD UK Brent (XBRUUSD) for a 30-day period as represented by the candlestick chart. The horizontal axis of the chart shows the day the contract is being traded and the vertical axis shows the price of the contract.

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 the contracts. 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 = XBRUUSD

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	2017.03.14	Buy	1	50.53
B	10000	2017.05.04	Sell	1	48.30
C	10000	2017.03.28	Buy	1	51.10
D	3000	2017.03.02	Buy	1	55.56

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.

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.	Financing
Favourable	A	51.68	1150	11150	-2.53	51.73	1200	11200	-2.53	-3	55.20	4670	14670	-2.53	-21					
Unfavourable	B	48.48	-180	9820	-2.42	50.33	-2030	7970	-2.42	-183.5	49.54	-1240	8760	-2.42	-1140					
Moderate	C	51.42	320	10320	-2.56	53.15	2050	12050	-2.56	35	50.98	-120	9880	-2.78	-8					
Stressed	D	55.08	-480	2520	-2.78											53.010	-2550	450	-2.78	17.3

The equity shown at each time interval is equal to the unrealised profit and loss on the clients' accounts. 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: Client A enters the market as indicated by the green arrow. As the market benefits from a price incline Client A continually makes a profit regardless of when they close their trade.

Client B: Client B enters the market as show by the red arrow. The market is recovering from it's previous lows and maintains a continual incline therefore Client B continually makes a loss regardless of when they close their trade.

Client C: The client makes a profit where they close their trade on the same day as the contract benefits from a sustained increase in price. This incline is sustained, and the client would continue to make a profit if they closed their position after one week. The market falls into adjustment with a price decline which sees the closing price close to C's initial opening price, in addition to the small loss on account they would have to pay the financing charges incurred by holding their position for 30 days.

Client D: The client enters the market at the point shown by the orange arrow. If they chose to close their position on the same day they would incur a loss as the price of the contract has decreased. If the client chose to keep their position open after day one they would be negatively affected by significant price drop during market volatility. During this trading day the contract price volatility was triggered by a EIA announcement. 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 <https://www.lmax.com/global/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 Energy CFDs. The commission rates that we charge are subject to change including but not limited to third party services.	<table border="1"> <thead> <tr> <th data-bbox="1054 521 1289 562">Instruments</th> <th data-bbox="1294 521 1532 562">Standard</th> </tr> </thead> <tbody> <tr> <td data-bbox="1054 568 1289 636">Energy CFDs</td> <td data-bbox="1294 568 1532 636"></td> </tr> <tr> <td data-bbox="1054 642 1289 763">All Energy CFDs</td> <td data-bbox="1294 642 1532 763">0.0025% of the notional traded in the named currency</td> </tr> </tbody> </table>	Instruments	Standard	Energy CFDs		All Energy CFDs	0.0025% of the notional traded in the named currency
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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 and MT4 Trading Manual for worked examples on the New clients page .	<p>LMAX UI: $F = \text{swap points} \times 10 \times \text{tick value} \times \text{number of Contracts open} \times \text{number of days rolled}$</p> <p>LMAX MT4: $F = \text{Swap charge} \times \text{Quantity} \times \text{MT4 Tick Value} \times \text{Number of days rolled}$.</p>
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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 Procedure document on the [New clients page](#).

OTHER RELEVANT INFORMATION

Other relevant information can be found in the List of Instruments, Complaints Policy, Risk Warning Notice, Terms of Business, Trading Manual and MT4 Trading Manual which are listed on the [New clients page](#).

If there is anything in this Notice you do not understand, please contact us on the above contact details.