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Purpose of the document

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.

Description of the product

Contracts for difference ("CFDs") are being offered by Binary Investments (Europe) Ltd (hereinafter referred to as "The Company," "our," "we" or "BIEL"). Binary Investments (Europe) Ltd is licensed and regulated by the Malta Financial Services Authority and is authorised to provide services in other EU member states through EU passporting rights.

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

What is this product?

Type

Contracts For Difference

A contract for difference (CFD) is a popular form of derivative trading. CFDs enable you to speculate on the rise or fall of an underlying asset, without actually owning that asset.

With a CFD you can choose to go short (sell) if you think prices will go down or go long (buy) if you think prices will rise. For instance, if an investor goes long and the price of the underlying asset rises, the value of the CFD will increase. At the end of the contract, BIEL will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor goes long and the price of the underlying asset falls, the value of the CFD will decrease. In this case, at the end of the contract the investor will pay BIEL the difference between the closing value of the contract and the opening value of the contract. **Please remember that your loss may exceed your deposit.**

CFDs are accessible via the Binary.com MT5 trading platform. For contract specifications, ***please refer to our website***. For more information on the type of accounts available, ***please refer to our website.***

Objectives

A CFD enables you to trade on an asset's price in the underlying market, without owning the asset itself. It is a leveraged product, which means that you only need to deposit a small percentage of the full value of the trade in order to open a position. This is called 'trading on margin' (or margin requirement) and is one of the key features of CFD trading. For more information about BIEL's margin policy, please ***refer to our website***.

While trading on margin enables you to magnify your returns, your losses may also be magnified.

In the case of negative price movement, if additional funds are not deposited into the account, the CFD may be stopped-out (closed automatically). This will occur when losses make the account equity go below the stop out level (which would be a percentage of the margin). More information about the stop-out level and how it is applied, may be found on ***our website.***

CFD contracts are open-ended and have no maturity date. There is no recommended holding period for a CFD and it is up to each individual investor to determine the most appropriate holding period based on their own individual trading strategy and objectives. BIEL has the right to terminate any CFD contract where it deems that the terms of the contract have been breached.

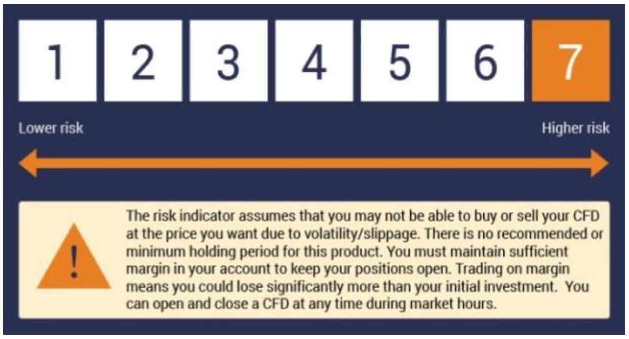
Intended retail investor

CFDs are intended for investors who have knowledge of, or are experienced with, leveraged products. Likely investors will understand how the prices of CFDs are derived, the key concepts of margin and leverage and the fact that losses may exceed deposits. They will understand the risk/ reward nature of the product compared to traditional share dealing. Investors will also have appropriate financial means and understand that their losses could exceed their initial amount invested.

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

Risk Indicator

The risk indicator is a guide to this product's level of risk compared to other products. We have classified this product as 7 (out of 7) which is the highest risk class. This is due to the fact that there is a very high chance that you could lose more than your initial investment.



CFDs are leveraged products that, due to underlying market movement, can generate losses rapidly. Losses can exceed the amount invested and you may be required to deposit additional funds. There is no capital protection against market risk, credit risk, or liquidity risk. If you have multiple positions with BIEL, your risk may be cumulative and not limited to one position.

Note: If your bank account is denominated in a currency that is different from the one you're using to trade, the value of your return may be impacted due to currency fluctuations. This risk is not considered in the indicator shown above.

Market conditions may affect your CFD trade and it could close at an unfavourable price, which could significantly impact how much you get back. CFDs may be affected by slippage or the inability to close your position at a desired price due to unavailability of such price in the market. A CFD trade may be automatically closed if the minimum margin required is not maintained. More information about BIEL's margin policy, can be found on ***our website.***

This product does not include any protection from future market performance, so you could lose some or all of your investment. If we are not able to pay you what is owed, you could also lose your entire investment. However, you may benefit from a consumer protection scheme (see the section "**What happens if BIEL is unable to pay out?**").

Performance scenarios

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. What you get will vary depending on how the market performs and how long you hold the CFD. The stress scenario shows what you could get back in extreme market conditions, and it does not take into account the situation where we are not able to pay you.

The following criteria have been used to create the scenarios in Table 1:

CFD (held Intraday)			
Opening price:	5000	Margin Requirement (€)	€2500
Trade size (Units):	5	Notional value of the trade (€):	€25,000
Margin %:	10%		

Long				Short			
Performance Scenario	Closing Price	Price Change	Profit/ Loss	Performance Scenario	Closing Price	Price Change	Profit/ Loss
Favourable	5125	2.50%	€625	Favourable	4864	-2.72%	€680
Moderate	5100	2.00%	€500	Moderate	4900	-2.00%	€500
Unfavourable	4879	-2.42%	-€605	Unfavourable	5125	2.50%	-€625
Stress	4700	-6.00%	-€1,500	Stress	5300	6.00%	-€1,500

The stress scenario above shows how price movements can rapidly lead to losses. It does not take into account a situation where we are unable to pay you.

The scenarios presented are only indicative and they are not exact indicators. What you get will vary depending on how the market performs and how long you keep the investment.

These 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 does not take into account any other positions that you may already have with BIEL.

What happens if Binary Investments (Europe) Ltd is unable to pay out?

If the Company is unable to pay you what is owed, you could lose your entire investment.

Binary Investments Europe Ltd forms part of the *Investor Compensation Scheme* which is a rescue fund for investors that are clients of failed investment firms licensed by the MFSA. The scheme covers 90% of the Company's net liability to a client in respect of investments which qualify for compensation under the *Investment Services Act* subject to a maximum payment of €20,000 to any one person. The scheme is based on EC Directive 97/9.

Cover is made available on the basis of the depositor rather than on the basis of the number of deposits, meaning that an individual will only be covered up to €20,000 on the global amount. Any other amount exceeding this threshold is not protected and will have to be borne by the investor.

What are the costs?

The table below shows the different types of costs involved when you trade CFD products.

Composition of costs			
One-off costs	Entry/Exit Cost	Spread	The difference between the buy price and the sell price is called the spread. This cost is realized each time you open and close a trade. Spreads vary depending on market conditions.
One-off costs	Entry/Exit Cost	Commission	A commission of 0.6% applies to contracts on cryptocurrencies
Ongoing costs	Overnight holding costs	Swaps	A 2% fee will be charged/paid for every night that your position is held on top of interbank lending rates. A fixed annualized fee of 27% applies for both long and short positions on cryptocurrencies. Swap charges are charged daily.

How long should I hold it and can I take money out early?

CFDs are intended for short term trading and are generally not suitable for long term investments. There is no recommended holding period and no cancellation fees. You can open and close a CFD at any time during market hours.

How can I complain?

Complaints may be submitted to *complaints@binary.com*

A complaint may take up to 15 days to be processed from the date of receipt.

If your complaint relates to an outcome of a trade or a transaction and remains unresolved, it will turn into a dispute. Should you be unsatisfied with our response, you can choose to escalate your complaint to the regulator.

Unresolved disputes may be escalated to the Office of the Arbiter for Financial Services. Contact details and guidance on making a complaint with the Arbiter's Office can be found ***here***.

For more information about complaints and disputes, kindly refer to our ***Terms & Conditions.***

Other relevant information

Refer to our ***Terms and Conditions*** for any other information.