KEY INFORMATION DOCUMENT (KID)

ROinvesting

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:

Product: Contracts For Differences (CFDs) on FX/currency pairs

Manufacturer: Royal Forex Ltd ("Royal Forex" or "Company") is a company authorized and regulated by the Cyprus Securities and Exchange Commission (the "CySEC") with license number 269/15 and operates as a Cyprus Investment Firm. The Company's website is https://www.roinvesting.com/ whereas the contact details are as follows:

- Address: City home 81, 3rd floor,128-130 Limassol Avenue, 2015 Strovolos, Nicosia, Cyprus ✦ Tel. No: +357 22007575
- Fax No: +357 25654185
- Email: Support@roinvesting.com

Date of Update of KID: 20/01/2020

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

What is the product:

Type: CFD on FX is a derivative product which is traded on an Over the Counter ("OTC") and it is a leveraged financial instrument. Its value is determined based on the value of an underlying asset. The investor makes a profit or a loss on the CFD based on the direction chosen (Buy or Sell) and the direction of the value of the underlying asset. The CFD is settled in cash only and the investor has no rights whatsoever on the actual underlying asset. The list of available currency pairs is available here.

Objectives: This is a leveraged product which is traded OTC market. The return from this product depends on the price fluctuation of the underlying Currency pair. The expected returns depend on the market direction and the position taken by you. For example, being long means you are buying the product by speculating that the market price of the underlying asset will rise between the time of the purchase and its sale. As the owner of a long position, you will make a profit if the market price of the underlying asset rises whilst your long position is open. On the other hand, you will suffer a loss if the market price of the underlying asset falls whilst your long position is still open. The product is offered on margin, which allows you to take positions of a value larger than the amount invested. The increased value of an investment, due to the use of leverage, may lead to both significant profits and losses. You may also suffer a loss due to the closure of your position by the Company in case you do not have enough cash for the margin on your account to maintain your open position (more details regarding margin requirements are outlined below). For specific trading hours please check the following website https://www.roinvesting.com/en/retail.

Intended Retail Investor: This product is intended for Retail Investors who have sufficient knowledge and experience in trading with leveraged products. Also, the product shall be provided to Retail Investors who understand and are willing to take, in the short term, the risks associated with trading in such instruments. In addition, the product is also targeted at Retail Investors having speculation or hedging objectives and wish to diversity their portfolio and are financially able to lose their invested capital, subject to the negative balance protection mechanism offered by Royal Forex.

Term: CFDs on FX do not have an expiration date and therefore the Retail Client decides when to close the position. Kindly note that if the Client's margin level falls below the Margin Close Out Level of 50%, the Client will receive a stop out or margin call and the positions close, without notice by us to you. **In addition, the Client never loses more the Equity of the trading account as Royal Forex offers Negative Balance Protection (NBP).**

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

RISK INDICATOR

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

Lower Risk — **Higher Risk**
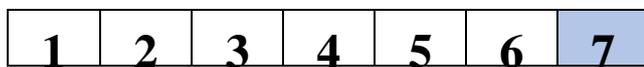
The risk indicator assumes that you may not be able to buy or sell your CFD on FX at the price you wanted due to market volatility or you have to buy or sell the product at a price that significantly impacts how much you get back.

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 and poor market conditions may impact our capacity to pay you. CFDs on FX are leveraged products that, due to underlying market movement, can rapidly generate losses. Losses can be up to the entire amount invested, if you are a Retail Client as you benefit from negative balance protection measures. However, there is no capital protection against market risk, credit risk or liquidity risk.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

The total loss you may incur is only your invested capital. This product does not include any protection from future market performance, so you could lose all of your investments. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the investor compensation fund (see the section "*what happens if we are unable to pay you*"). The indicator shown above does not consider this protection.

PERFORMANCE SCENARIOS

This KID is not specific to a particular product. It applies to a CFD on any currency pair available on our platform. However, each CFD you enter into is specific to you and your choices i.e. you shall choose the underlying currency pair; the size of your position; when you open and close your position; and whether to use any risk management tools we offer such as stop loss orders.

Assumptions: FX Pair Formula - EUR/USD! - USD Account	
FX Pair Open Price	1.21823
Volume in Lots	1 Lot
Contract Size	100.000
Margin %	3.33%
Margin Requirement Formula	(Opening Price * Contract Size * Volume * margin%)
Trade Value in $	Margin Requirement/Margin%

Calculation	
Margin Requirement Calculation	1.21823 * 100,000 * 1 * 3.33% = 4056.706 $
Trade Value in $ Calculation	4056.706/3.33% = 121,822 $

Long Performance Scenario	Closing Price (inc. Spread)	Price Change	Profit/Loss	Short Performance Scenario	Closing price (inc. spread)	Price Change	Profit/Loss
Favourable	1.23041	1.00%	$1,218	Favourable	1.20604	1.00%	$1,218
Moderate	1.22432	0.50%	$609	Moderate	1.21213	0.50%	$609
Unfavourable	1.20604	-1.00%	($1,219)	Unfavourable	1.23041	-1.00%	($1,219)
Stress**	1.15731	-5.00%	($6,092)	Stress	1.27914	-5.00%	($6,092)

**The position will be automatically liquidated once the margin close out level of 50% is reached.

This table shows you the money you could get back under different scenarios, assuming that you invest in a particular Currency pair. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you profit/loose will vary depending on how the market performs and how long you keep your position open. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back. This performance scenarios assume you only have one position open and does not take into account the negative or positive cumulative balance you may have if you have multiple open positions with us.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

What happens if Royal Forex is unable to pay out?

In the event of default of Royal Forex due to insolvency, you may lose the value of your investment. The Investor Compensation Fund for clients of CIFs (the "ICF"), provides compensation for Retail Investors should Royal Forex declares default. You may be entitled to compensation under the ICF where we are unable to meet our duties and obligations arising from your claim. Whether you are able to claim depends on the type of business and your personal circumstances. Any compensation provided to you by the ICF shall not exceed twenty thousand EUR (20,000€) per Retail Investor or 90% of the claimed amount, whichever is lower. Full details are available on the ICF' website: https://www.cysec.gov.cy/en-GB/complaints/tae/.

What are the costs?

COMPOSITION OF COSTS

Before initiating trading in CFDs on FX you should familiarize yourself with all associated costs and charges, as presented herein. For more information on the costs and charges please refer to our website at the links shown below. The total costs consider one-off, ongoing and incidental costs as listed below. The amounts shown here are the cumulative costs of the product itself when you close your position.

One off Costs	Spread	**Spread:** The spread is the difference between the buying (ASK) and selling price (BID) of a CFD on forex applied for trading. No other charges or commissions are paid. Our spreads are set at our absolute discretion and any changes are effective immediately. All the spreads are variable and are charged automatically once the position is open. The spread is calculated as *Contract Size * Lots * Minimum Spread Charge*. Please refer to our website for more information: https://www.roinvesting.com/en/spreads.
	Currency Conversion	Any cash, realized profit and losses, adjustments, fees and charges that are denominated in a currency other than the base currency of your account, will be converted to the base currency of your account and a currency conversion fee will be charged to your account.
Ongoing Costs	Overnight swaps	A daily overnight swap charge will apply to all open positions that remain open every day at 21:00 UTC time. The Company calculates its swaps using the formula: *(Lot Size)*(# of Days the position/s are Open)*(Swap Charge of the Asset)*. More information in regards to the Overnight Swap charges can be found on our website: https://www.roinvesting.com/en/swap-charges. Wednesday Exception Rule: The charge for positions being held over Wednesday and swapped to Thursday is different than other days and includes the charge over weekend. Please note that on the CFDs market, when a position is held open overnight from Wednesday to Thursday, the overnight swap is tripled. This is because for a position opened on Wednesday, the value date is Friday. When a position is kept open overnight from Wednesday to Thursday, the value date will be moved forward 3 days, to Monday, skipping over Saturday and Sunday. Therefore, the overnight swap is tripled since the Client has to be charged swap charges for 3 days instead of just one.
Incidental Costs	Inactivity fees	Inactive Accounts, as defined in the T&Cs, will be charged for an Inactivity Fee: ▪ Over 61 days the Inactivity Fee is €80, retroactive for all the dormant period (i.e. after 61 days of inactivity, Client's account Inactivity Fee will be €160). ▪ Over 91 days the Inactivity Fee is €120 per month. ▪ Over 181 days the Inactivity Fee is €200 per month. ▪ Over 301 days the Inactivity Fee is €500 per month.
	Withdrawal Fees	Royal Forex charges a withdrawal fee at an amount equal to €50 (or an equivalent amount according to the denominated currency in the client's trading account) if there is insignificant (only one single position placed on the trading account) or no trading activity in the Client's trading account prior to the submission of the withdrawal request. In case the Client wishes to withdraw less than €100, additional fees may apply and you will be informed in advance accordingly.

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

Recommended holding period: N/A

Trading CFDs on FX does not require a holding period as the Client decides when to close their position. You can cash out the CFD on FX at any point you wish during regular market hours, but it may not be at a price beneficial to you or your investment goals.

How can I complain?

You are entitled to lodge a complaint at any time and free of charge. You may submit your formal duly complaint form along with information including your trading account number, the cause of your complaint and date of the event. The Complaints Form is available at the Company's Website, here, or you can send an email to Complaints@roinvesting.com or by post at the head office address specified above. Royal Forex will confirm within five (5) business days the receipt of your complaint and provide you with your Unique Reference Number (the "URN"). Further details of Royal Forex's procedure is available in its website: https://www.roinvesting.com/en/complainthandling-procedure. In the event that the final decision does not satisfy you, you may also refer your complaint to the Financial Ombudsman Service (the "FOS"). The FOS is an independent service for settling disputes for finance business and their clients. Details for the Financial Ombudsman Service are available in its website http://www.financialombudsman.gov.cy/forc/forc.nsf/page02_en/page02_en?opendocument.

Other relevant information

Should you require further information about the product and the risks associated please refer to our Risk Disclosure Statement available on the Royal Forex website. You should also ensure that you read the Client Agreement, Order Execution Policy, Client Categorization and other legal documentation displayed on our website. Such information is also available on request. Also, you may directly contact us at the contact details previously specified.