KEY INFORMATION DOCUMENT

CONTRACTS FOR DIFFERENCE

ITI CAPITAL

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.

GENERAL PRODUCT INFORMATION - CONTRACTS FOR DIFFERENCE

Product Name: "CFD's" (Contracts for Difference).

Product Manufacturer: ITI Capital Limited ("ITIC"), authorised and regulated by the Financial Conduct Authority in the United Kingdom. FCA Firm Registration Number 171487.

Product Distributor: ITI Capital Limited ("ITIC"), authorised and regulated by the Financial Conduct Authority in the United Kingdom. FCA Firm Registration Number 171487.

Further information: You can find out more about ITIC's products on our website www.iticapital.com or by contacting our dedicated customer service team on 020 3889 8333 or by email **customerservice@iticapital.com**

This document was last updated on 1st January 2018.

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

WHAT IS THIS PRODUCT?

TYPE

This document relates to 'Contracts For Difference', which are also known as CFD's. A CFD is a leveraged product that allows you to obtain an indirect exposure to an Underlying Asset such as a security, commodity or index. This means you will never own the Underlying Asset, but you will make gains or suffer losses because of price movements in the Underlying Asset to which you have the indirect exposure. There are many types of CFD's. This document provides key information on Share CFD's where the Underlying Asset that you choose is a company such as Barclays Bank. You can visit our website or contact our customer service team for more information on the range of Underlying Assets available to trade with us.

OBJECTIVES

The objective of trading CFD's is to speculate on price movements (generally over the short term) in an Underlying Asset by obtaining an indirect exposure to the Underlying Asset. Your return depends on movements in the price of the instrument and the number of contracts opened (size of your stake).

For example, if you believe the value of a share is going to increase, you could buy one or more contracts of that share CFD (also known as "going long"), with the intention to later sell them (and subsequently close the trade) when they are at a higher value.

If you think the value of a share is going to decrease, you could sell a number of CFD contracts (also known as "going short"), expecting to later buy them back at a lower price (closing the trade) than you previously sold them for. In both cases (long and short), the difference between the price at which you buy and the price at which you sell equates to your profit, minus any relevant costs (detailed below).

However, in either circumstance if the share moves in the opposite direction and your position is closed, either by you or because of a margin call (detailed below), your account would be debited for the loss of the trade plus any relevant costs.

To open a position and to protect us against any losses you incur, you are required to deposit a portion of the total value of the contract in your account. This is referred to as the margin requirement (see further below). Trading on margin can enhance any losses or gains you make.

EXECUTION MODEL

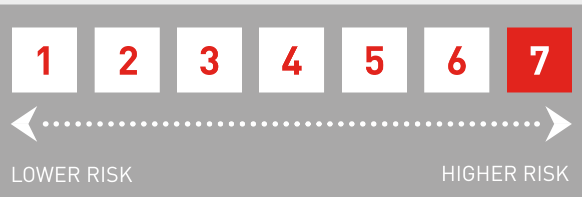
Contract for Difference products at ITIC are subject to Dealing Desk execution only. ITIC does not generally execute CFD orders with an external counterparty. ITIC is the final counterparty for most CFD positions which you undertake. Please note that as the final counterparty ITIC may receive compensation beyond our standard fixed mark-up. ITIC makes prices for the CFD instruments it offers to its clients. Although these prices may be indicative of the underlying market for the product being traded, they do not represent the actual prices of the Underlying Asset on the physical market or exchange where it is listed.

ITIC may close your position without seeking your prior consent if you do not maintain sufficient margin in your account (more information below).

INTENDED RETAIL INVESTOR

Trading these products will not be appropriate for everyone. We would normally expect these products to be used by persons who have knowledge of, or experience with, leveraged products. They should know how the prices of CFD's are derived, the concepts of margin and leverage, and understand that losses can exceed deposits. They should understand the differences from trading the Underlying Asset such as traditional share dealing. Investors in CFD's should have appropriate financial means to bear losses in excess of the initial amount invested.

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



There is no recommended or minimum holding period for this product. You must maintain sufficient margin in your account to keep your positions open. Trading on margin means you could lose significantly more than your initial investment.

Summary Risk Indicator (SRI): The SRI is a guide to the level of risk of these products 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. The SRI 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. We have classified this Product as 7 out of 7, which is the highest risk class.

This Product does not include any protection from future market performance so you could lose some or all of your investment, or more than your investment.

CFD trading requires you to maintain a certain level of funds in your account to keep your positions open. This is called margin. Margin rates may vary from product to product. Please contact customer services for particular margin rates. You will be able to open a position by depositing only a small portion of the notional value of the position, creating a leveraged position. Leverage can significantly magnify your gains and losses as products that are traded on margin carry a risk of losses in excess of your deposited funds.

Margin can be thought of as a good faith deposit required to maintain open positions. This is not a fee or a transaction cost, it is simply a portion of your account equity set aside and allocated as a margin deposit. Margin requirements (per 1 Contract for CFDs) are determined by taking a percentage of the notional trade size plus a small cushion. A cushion is added to help alleviate daily/weekly fluctuations. Margin requirements can be increased temporarily to mitigate risks prior to major market events or in increasingly volatile markets.

Margin calls will occur when the equity of the account falls below the required margin. Failure to cover a margin call may mean ITIC liquidate all open positions on your account or we may only close specific positions.

ITIC process all liquidations for CFD products automatically, for more information on how margin calls work we encourage you to review our risk warnings and seek independent advice.

ITIC aims to provide clients with the best execution available and to get all orders filled at the requested rate.

However, there are times when, due to an increase in volatility or volume, orders may be subject to slippage. Slippage most commonly occurs during fundamental news events or periods of limited liquidity. During periods such as these, your order type, quantity demanded, and specific order instructions can have an impact on the overall execution you receive.

CFD trading is decentralised and pricing will vary from broker to broker. ITIC's CFD's are not listed on any exchange, and the prices and other conditions are set by ITIC in accordance with our best execution policy. CFD contracts can be closed only with ITIC, and are not transferable to any other provider. If you have multiple positions your risk is cumulative and not limited to one position.

PERFORMANCE SCENARIOS

This key information document is not specific to a particular product. It applies generally to any CFD. For each CFD trade you enter, you will be responsible for choosing the instrument, when you open and close, the size (risk) and whether to use any risk mitigation features (such as stop loss orders).

Each instrument has a different pip cost (value risked for every change of a certain digit in price) associated to it.

This table shows potential profit and loss under different scenarios.
The scenarios assume you are long or short 10,000 shares in Barclays PLC through a CFD at a price of 200p.

The Margin requirement = (Price x No. shares) x 10%.
Therefore, the margin requirement in this example would be £2,000 with a notional value of £20,000.
The below table does not include overnight holding costs (discussed further below) or commissions.
This illustration does not take into account your personal tax situation, which may also affect how much you get back.

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Scenarios		Trade P/L	Margin Call (P/L–Initial Margin)
Stress scenario: You go long and the price falls by 50p and you then receive a margin call	Open Price: 200.00 Close Price: 150.00	-£5,000	£3,000 £0 balance on a/c
Unfavourable scenario: You go short and price increases by 10p and you exit the position.	Open Price: 200.00 Close Price: 210.00	-£1,000	£0 £1,000 balance on a/c
Moderate scenario: You go long or short and exit the position at the same rate you entered.	Open Price: 200.00 Close Price: 200.00	£0	£0 £2,000 balance on a/c
Favourable scenario: You go long and price increases by 20p and you exit the position.	Open Price: 200.00 Close Price: 220.00	£2,000	£0 £4,000 balance on a/c

WHAT ARE THE COSTS?

One off costs – Spread

The spread is the difference between the buy (ask) and sell (bid) price quoted. For example, if the instrument is trading at 100, our Ask price (the price at which you can buy) might be 101 and our bid price (the price at which you can sell) might be 99.

Ongoing costs – Overnight financing

This is the interest paid for holding a position overnight and is based on the size of the position. For Share CFD's the formula for financing cost is as follows:
[Closing Price of the Share * [(relevant 3-month LIBOR rate/100) + - ITIC's Markup]/Number of Days] * Trade Size
On Fridays, to account for holding a position into the weekend, financing costs are 3X times as usual.

Ongoing costs – Margin

As can be seen in the table above, Margin calls can vary greatly and can exceed your initial investment. You should always maintain the minimum margin requirement for positions you hold on account. Failure to meet any margin call may mean ITIC liquidate any or all positions held on your account, in any product.

Ongoing costs – Dividend adjustments – credit for long positions/debit for short positions

Share CFD's are based on underlying stocks that may pay dividends throughout the year. When a dividend is paid on a stock, the value of the stock will drop and therefore so does the value of the CFD.
Short positions will be positively impacted by the drop in share price, while long positions are negatively impacted.
Dividend adjustments are applied on share CFD products to negate the impact of the drop in underlying Price.
Long dividend credits are subject to tax withholding adjustments.
Costs will vary depending on the instrument you choose.

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

CFD's are intended for short term trading, in some cases intra-day (open and close a position on the same trading day). They are generally not suitable for longer term investments. There is no recommended holding period. You can open and/or close a CFD at any time during regular market hours for the Underlying Asset.

WHAT HAPPENS IF ITIC IS UNABLE TO PAY OUT?

If ITIC is unable to meet its financial obligations to you, this could cause you to lose the value of any contracts you have with ITIC. ITIC segregates your funds from its own money in accordance with the UK FCA's Client Asset rules. Should segregation fail, your investment is covered by the UK's Financial Services Compensation Scheme (FSCS) which covers eligible investments up to £50,000 per person, per firm. See **www.fscs.org.uk**

HOW CAN I COMPLAIN?

If you wish to complain, you can contact ITIC's customer service team. We will address your complaint in accordance with our Complaints Policy. If you do not feel your complaint has been resolved satisfactorily, you are able to refer your complaint to the Financial Ombudsman Service (FOS). See **www.financial-ombudsman.org.uk** for further information.

OTHER RELEVANT INFORMATION

You should ensure that you read the terms of business, order execution policy and risk warning notice displayed on our website or available on request from our customer service team.

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