

KEY INFORMATION DOCUMENT - PIT

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 Name: Portfolio Index Tracker (PIT).

Product manufacturer: JFD Group Ltd (“JFD”) authorized and regulated by Securities and Exchange Commission in Cyprus (CySEC Registration number: 150/11).

Further information: You can find more information about JFD’s products on our website. We encourage you to visit our website <https://www.jfdbank.com>. JFD’s customer support team is available via phone, email or live chat.

This document was last updated on April 2020.

Alert

You are about to purchase a product that is not simple and may be difficult to understand. Our service includes products that are traded on margin and carry a risk of losses. The products may not be suitable for all investors. Please ensure that you fully understand the risks involved.

What is this product?

Type

An Over the Counter (“OTC”) Derivative Contract for Difference (“CFD”) where the underlying instrument is a Index. PIT is a form of collective investment scheme that allows investors with similar investment objectives to pool their funds together. Portfolio Index Tracker has as purpose to use price fluctuations to gain return above the average rates and this return should be as independent from the market as possible by using active trading. Those strategies are aiming positive performance by falling and by rising prices as well. Portfolio Index Tracker currently offered can be found at the Company’s website (insert link).

Objective

Portfolio Index Tracker CFD is over the counter trading contract between you and JFD and enables you to have exposure to price movements on the investment product over a period of time. The difference to be exchanged is determined by the change in the reference price of the Portfolio Index Tracker. You will be benefit when the investment product price rises. This product does not allow you to hold short positions and entitle individual investors access to diversified, professionally managed portfolios at a low cost. PIT is non leveraged product with margin requirement 100%. You will pay an initial margin upfront when the position is opened.

Term

The performance of Portfolio Index Tracker is calculated based on NAV (net asset value) for prior month plus management fee of 2.0% per annual and performance fee 20% on HWM (high-water mark) basis on the first business day of the month. PIT have no maturity date and suggested minimum holding period of a year. Deposits are sent anytime during the month, however, purchases of shares of Portfolio Index Tracker are performed after price update on the first business day of the month. Requests of withdrawals are sent anytime during the month, however liquidation of shares of Portfolio Index Tracker are performed after price update on the first business day of the month.

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

Summary Risk Indicator ("SRI")



The risk indicator is a guide to the level of risk of this product compared to other products. We have classified this product as 7 out of 7, which is the highest risk class. This means that CFDs on Portfolio Tracker Index exhibit the highest risk characteristics and highlights potential losses at a very high level

By investing in CFDs on Portfolio Index Tracker, you assume a high level of risk which can result in the loss of all your invested capital. Thus, you should never invest more than you are willing to lose. Further, Investors should consider whether investment in this product is appropriate for them

according to their financial status. If you do not understand the risk, it is suggested to consult with an independent financial advisor.

Performance Scenarios

The scenarios shown below illustrate how changes in prices can affect your investment. The scenarios presented are an estimation of future performance based on historical track record from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you hold the Portfolio Index Tracker.

- a) Favorable scenario: is a situation where the market moves in the direction of the Portfolio Index Tracker Investor's order and the order becomes profitable.
- b) Moderate Scenario: is a situation where the market remains relatively unchanged to the opening price of the Portfolio Index Tracker Investor's order
- c) Unfavorable scenario: is a situation where the market moves against the direction of the Portfolio Index Tracker Investor's order and the order becomes unprofitable.
- d) Stress scenario: is a situation where the market moves considerable against the direction of the Portfolio Index Tracker Investor's order and the market price is near the stop out level.

The following assumptions have been used to create the scenarios below:

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Portfolio Index Tracker			
		Bid	Ask
Balance	80,000		
Opening Price	P	1,126.20	1,127.20
Trade Size	TS		70
Margin	M		100 %
Initial Margin	P x TS x M		78,904.00
Notional Value	P x TS		78,904.00

Scenarios	Closing Price	% Price change	Profit/Loss (EUR)
Favorable	1,183.56	5.00	3,945.20
Moderate	1,138.47	1.00	789.04
Unfavorable	1,115.93	-1.00	-789.04
Stress	1,014.48	-10.00	-7,890.40

The figures above are before charges and fees and include the costs of the product itself, but do not include all the costs that you pay to your advisor or distributor. The figures do not consider your personal tax situation, which may also affect how much you get back.

What happens if JFD is unable to pay out?

If JFD is unable to meet its financial obligations to you, this could cause you to lose the value of any positions you have with JFD. However, JFD segregates your funds from its own money in accordance with Law 87(I)/2017. You can find out more about it [here](#). In addition, JFD is a member of the Investor Compensation Fund which covers eligible investments up to EUR 20,000 per person. For more info, please visit: <https://www.cysec.gov.cy/en-GB/complaints/tae/information/>.

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Strategy Facts & General information

Suggested Holding Period: 1 year

Minimum Investment: €50,000

Base Currency: EUR

Subscription/Redemption: Monthly

Structure: Managed Account

Subscription Fee: 0.00

Management Fee: 2.0%

Performance Fee: 20% (high-water mark)

Spread: €1.00

Commission: 0.00

Inactivity Fee: 0.00

Overnight Charges: 0.00

Other fees/charges: 0.00

How can I get more information?

For any questions you may have that we can help you with, you can communicate with the Company under the "Contact Us" page on our Website, such as referring your enquiry via email to our Customer Service Department, or via a chat with a Customer Service representative.

Other Relevant information

You should ensure that you read and understand the Company's Legal Documentation available in the Legal section on our website which you can find [HERE](#) together with the Key Investor Document before opening an account and start trading with the Company. You should ensure that you are familiar with all the terms and policies that apply to your account.

Before opening an account and start your investment please review our [Risk Disclosure](#) and [Privacy Policy](#) .

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