

## 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.

Countdown trades are offered by **CMC Markets UK plc** ("CMC"), a company registered in England and Wales, number 2448409. CMC Markets UK plc is authorised and regulated by the Financial Conduct Authority in the United Kingdom, register number 173730. Call 020 7170 8200 or go to [cmcmarkets.com](http://cmcmarkets.com) for more information.

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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

Countdowns are fixed-odds trades entered into with CMC on a bilateral basis, that allow an investor to speculate on whether the settlement price of an instrument will be above or below the chosen opening price, at the end of a range of short-term timeframes. An investor may choose the monetary amount to risk on the trade ("stake"), the timeframe ("expiry") and whether the settlement price at the end will be above or below, from the order ticket. The amount of money at risk is limited to the stake. The stake is deducted from the account value immediately upon entering into the trade and any return is credited immediately once the timeframe has expired.

Countdown prices are different to other CFD and spread bet products offered by CMC. Pay-out percentages vary according to the chosen expiry and instrument.

### Opening price

CMC Countdown prices are created using a blend of the cash price and futures price to derive a theoretical price for each Countdown time frame. An automated pricing engine makes constant adjustments to calculate a best estimate of fair value between the futures and cash price in real time. Manual adjustment can also be made by dealers to account for events such as suspended stocks or other corporate actions of that nature to ensure an accurate fair value is maintained, and can also take into account client sentiment.

### Settlement price

The settlement price is derived from the relevant external underlying price data and is not subject to adjustments.

### Objectives

The objective of the Countdown is to allow an investor short-term, fixed-risk exposure to the movement in the value of the underlying market. There are three possible outcomes to a Countdown trade; a winning Countdown trade will return both the stake and pay-out between 75-90%, draw will result in a partial refund of between 55-60% of the stake and a loss will result in the loss of the entire stake.

The Countdown trade has a pre-defined expiry, as chosen by the investor, based on their own individual trading strategy and objectives. It is not possible to exit a Countdown trade before it expires.

### Intended Retail Investor

Likely investors will understand how Countdown prices are derived, the asymmetric risk/reward profile of the trades and the concept of probability. They will desire short-term, high-risk exposure to an underlying asset. Investors will also have appropriate financial means, hold other investment types and have the ability to bear losses of the whole sum at stake.

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

### Risk indicator



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 of the product at a very high level.

Countdowns are products that can generate losses rapidly. It is possible to lose the entire amount invested. This product does not include any protection from future market performance.

Countdowns are only offered during Countdown hours as and when they are made available. Once placed, there is no option to close the trade early before the end of the expiry period.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see “what happens if we are unable to pay you”). The indicator shown above does not consider this protection.

### Performance scenarios

The scenarios shown illustrate how your investment might perform. You can compare them with the scenarios of other products. The win, lose or draw scenarios presented below are the only possible outcomes for a Countdown trade. The below example does not take into account the situation where we are not able to pay you.

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

Countdown opening price:	6753.2
Stake	£20
Pay-out percentage	85%
Return in case of a draw	60%

Table 1

ABOVE Performance scenario	Outcome	Settlement price	Return
Favourable	WIN	6755	£37
Moderate	DRAW	6753.2	£12
Unfavourable	LOSE	6750.5	None

### What happens if CMC Markets UK plc is unable to pay out?

If CMC is unable to meet its financial obligations to you, you may lose the value of your investment. However CMC segregates all retail client funds from its own money in accordance with the UK FCA's Client Asset rules. CMC also participates in 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](http://www.fscs.org.uk).

### What are the costs?

Trading a Countdown incurs the following cost:

<b>One-off entry costs</b>	<b>Stake</b>	This cost is debited each time you open a Countdown trade.
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The cost shown above is the only cost involved in trading the Countdown product.

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

Countdown expiries range from 1 minute to 1 hour. There is no recommended holding period, no cancellation period and therefore no cancellation fees. You can open a Countdown trade at any time it is made available during Countdown trading hours.

### How can I complain?

If you wish to make a complaint, you should contact our Client Management Team on 020 7170 8200, by emailing [clientmanagement@cmcmarkets.co.uk](mailto:clientmanagement@cmcmarkets.co.uk) or in writing to CMC Markets UK plc, 133 Houndsditch, London EC3A 7BX. If you do not feel that your complaint has been resolved satisfactorily, you may refer your complaint to the Financial Ombudsman Service (FOS). See [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) for further information. If your complaint is about an advisory or discretionary manager acting on your account, please contact the firm providing the service.

### Other relevant information

If there is a time lag between the time you place your order and the moment it is executed, your order may not be executed at the price you expected (improve or get worse). Ensure your internet signal strength is sufficient before trading.

The Legal Documents section of our website contains important information regarding your account. You should ensure that you are familiar with all the terms and policies that apply to your account.

The Product Overview on our platform contains additional information on trading a Countdown on an Index. Additional information on costs can be found on our website.