

KEY INFORMATION DOCUMENT – SYNTHETIC INDEX

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: Synthetic Index (“SI”).

Product manufacturer: MarketFinancials Limited, licensed and regulated by the Financial Services Authority of Seychelles with Security Dealer License no. SD006.

Further information: You can find more information about products on our website. We encourage you to visit the website ZumaMarkets.com . Our customer support team is available via phone, email or live chat.

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 an Index. SI currently offered can be found at the Company’s trading platforms (<https://zumamarkets.com/platforms/>) The SI price streaming is solely based on a Random Number Generator (“RNG”). The way RNG is functioning is the following. Through a software development it generates a sequence of random numbers that cannot be reasonably predicted.

Objective

SI CFD is an over the counter trading contract between you and MarketFinancials 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 SI. You will benefit when the investment product price rises and your position is Long (Buy) or the investment product price decreases and your position is Short (Sell). SI can be leveraged to a maximum 1:500. You will pay an initial margin upfront when the position is opened.

Term

The performance of SI is subject solely to a Random Number Generator. SI has no maturity date. Deposits are sent anytime during the month. Requests of withdrawals are sent anytime during the month.

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 SI exhibit the highest risk characteristics and highlight potential losses at a very high level.

By investing in CFDs on SI, you assume a high level of risk which can result in the loss of all your invested funds. Thus, you should never invest more that 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 RNG moves.

- A. Favorable scenario: is a situation where the RNG moves in the direction of the SI Investor's order and the order becomes profitable.
- B. Moderate Scenario: is a situation where the RNG remains relatively unchanged to the opening price of the SI Investor's order.
- C. Unfavorable scenario: is a situation where the RNG moves against the direction of the SI Investor's order and the order becomes unprofitable.
- D. Stress scenario: is a situation where the RNG moves considerably against the direction of the SI Investor's order and the RNG price is near the stop out level.

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

SI			
		Bid	Ask
Balance	80,000		
Opening Price	P	1,126.20	1,127.20
Trade Size	TS		70
Margin	M		100 %
Initial Margin	$P \times TS \times M$		78,904.00
Notional Value	$P \times TS$		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 MarketFinancials is unable to pay out?

If MarketFinancials is unable to meet its financial obligations to you, this could cause you to lose the value of any positions you have with MarketFinancials. However, MarketFinancials segregates your funds from its own money.

Strategy Facts & General information

Suggested Holding Period: CFDs typically have no maturity date and there is no recommended holding period. You may open and close positions based on your individual trading strategy and objectives

Suggested Minimum Investment: \$ 250

Base Currency: USD

Spread: From \$1.00

Commission: From 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.

This document was last updated in May 2021.