KEY INVESTOR INFORMATION DOCUMENT – COMMODITIES CFDS

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

PRIIP Name	Commodities CFD
PRIIP Manufacturer (the "Company", "we" or "us")	The First Interstellar Capital Ltd
ISIN / UPI	[QZSFT68HZ5PW]
Website	https://www.interstellarfx.eu
Telephone	+357 25211495
Competent Authority	Cyprus Securities and Exchange Commission (the "CySEC")
Date of Production of Key Information Document	[08/10/2024]

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

What is this product?

Type

An Over the Counter ("OTC") Derivative Contract for Differences ("CFD") on Commodities.

Objectives

The objective of the CFD is to allow an investor to gain leveraged exposure to the movement in the value of the underlying market (whether up or down), without actually owning the underlying asset. A Commodities CFD is an agreement between you and the Company to exchange the difference in price of the underlying asset over a period of time. The investor makes a profit or a loss on the CFD based on the direction chosen (Buy/Long or Sell/Short) and the direction of the value of the underlying asset. The CFD is settled in cash only and the investor has no rights whatsoever to the actual underlying asset. The market for most commodities is open 24 hours a day, 5 days a week from Sunday until Friday. For specific trading timetable please check the following website https://www.interstellarfx.eu.

In order to purchase the specific CFD, the investor must have sufficient margin in his account. The required initial margin for CFDs on Commodities is 10% and the Company is required to liquidate open position latest if the qualifying equity in your CFD account falls below 50% of the initial margin requirements for all CFD positions. The maximum leverage offered by the Company for CFDs on Commodities is up to 1: 20. Margin requirements may be decreased at the investor's request, subject to fulfillment of certain criteria whereas margin requirements may be increased at the Company's discretion in cases of extreme market volatility.

By way of example, you deposit €5,000 in your retail CFD account and open a long position with a notional value of €10,000. The initial margin paid to open the position is €2,000. If the position loses 60% of its initial value and it is closed-out, you will have reported a loss of €6,000. The loss will consume your entire account equity, but, as a retail investor, you will not have to pay the Company the negative balance of €1,000. This Product, due to its financial nature does not have any environmental, social or governance objectives and the concept of "sustainable investment" does not apply to it.

The profit or loss is determined according to the following formula:
For Buy (Long) positions: Deal size (in units of underlying asset) x [Close Bid – Open Ask] = P/L (in units of the other asset)
For Sell (Short) positions: Deal size (in units of underlying asset) x [Open Bid – Close Ask] = P/L (in units of the other asset)
The P/L from the closed positions is then converted into the base currency of the investor's account, if different. This is done on the basis of the relevant Bid/Ask rate of the two currencies at the time the position is closed.

The P/L is also affected by the fees charged by the Company, as detailed below. Therefore, it is important to maintain such level of margin to support the investor's open positions.

Intended Retail Investor

Trading these products will not be appropriate for everyone. We would normally expect these products to be utilised by persons to whom the following criteria apply:
(i) have an acceptable level of knowledge and/or experience to understand the characteristics of CFDs and risks associated with trading on margin;
(ii) have ability to bear 100% loss of all funds invested;
(iii) have a high risk tolerance;
(iv) intend to pursue CFD trading for one or more of the following: trading speculation, short-term investments (typically from few weeks up to 1 year), weekly trading (within few days up to a week), intraday trading (within the day), investment portfolio diversification, hedging of exposure to an underlying asset, short-selling, capitalizing on market events ; and
(v) want to invest in products for which sustainability factors (i.e. Environmental, Social and Governance objectives) and/or sustainable investments cannot apply.

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

Risk indicator

1	2	3	4	5	6	7



Low Risk ⟷ High Risk

The risk indicators assumes that you keep the product for up to 24 hours. However, the level of risk would remain at 7, irrespective of how long this product is held.

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.

You may not be able to end the product easily or you may have to end at a price that significantly impacts the return on your investment. CFDs may be affected by slippage or the inability to end the product at a desired price due to unavailability of such price in the market. CFDs are OTC products and cannot be sold on any exchange, MTFs or other trading venue. There is no capital protection against market risk, credit risk or liquidity risk. Markets may fluctuate significantly in a short period of time and we may not be able to close out your position at a price that would avoid losses greater than the margin originally deposited.

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

This product does not include any protection from future market performance so you could lose some or all of your investment. If the Company is not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section 'what happens if we are unable to pay you'). The indicator shown above does not consider this protection.

Performance scenarios:

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

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 get will vary depending on how the market performs and how long you hold the CFD.

The scenarios shown are illustrations based on results from the past and on certain assumptions. The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product based on historical performance over the last two years. Markets could develop very differently in the future. 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. However, you may benefit from a consumer protection scheme (see the Section "what happens if the Company is unable to pay you").

Example: Commodities CFD on XAUUSD		
Recommended Holding Period:	Not applicable. However, for the purposes of this performance scenario presentation, the assumed holding period is 1 day.	
Example Investment:	$11.750 (notional value – $235000)	
Type of Investment:	BUY	
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.	
Stress: Market moves from 2350 to 2340	What you might get back after costs	$-1000
	Percentage return on notional investment	-0,43%
Unfavorable: Market moves from 2350 to 2345	What you might get back after costs	$-500
	Percentage return on notional investment	-0,21%
Moderate: Market moves from 2345 to 2350	What you might get back after costs	$500
	Percentage return on notional investment	0,21%
Favorable: Market moves from 2340 to 2350	What you might get back after costs	$1000
	Percentage return on notional investment	0,43%

The figures shown include all 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 take into account your personal tax situation, which may also affect how much you get back.

What happens if [The First Interstellar] is unable to pay out?

In the event that The First Interstellar becomes insolvent and is unable to pay out to the investors, Retail Clients may be eligible to compensation of up to €20,000 by the Investor Compensation Fund set up by the Cyprus Securities and Exchange Commission.

What are the costs?

The Reduction in Yield ("RIY") shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amount shown here are cumulative costs of the product itself for an estimated holding period of 1 day. The figures assume you invest $9,11 for a $235000 notional value. The figures are estimates and may change in the future.

For further information, please refer to our Cost and Charges Policy which can be found here.

Costs Over Time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product [and how well the product does (where applicable)]. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed (i) the product performance as per the moderate scenario, and (ii) a notional amount of $235.000 is invested.

Notional Investment Amount: €10.000	**If you exit after 1 day (Monday to Tuesday)**
Total Costs	**4,2 USD**
Cost Impact*	**0,002 %**
*This illustrates how costs reduce your return over the assumed holding period and a moderate return scenario. For example, it shows that if you exit after 28 days, your average return is projected to be x% before costs and x% after costs. This illustrates the effect of costs over a holding period of less than one year. This percentage cannot be directly compared to the cost impact figures provided for other PRIIPs.	

Composition of Costs

Cost impact if you exit after [1] day			
One-off costs	**Entry costs**		0 USD
	Exit costs		0 USD
Ongoing costs	**Portfolio transaction costs**		0 USD
	Other ongoing costs	$4,2 per $235000 notional investment	4,2 USD
Incidental costs	**Performance fees**		0 USD
	Carried interests		0 USD

This illustrates costs in relation to the notional value of the PRIIP.

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

There is no recommended holding period or minimum holding period. There are no consequences of you choosing to close your position other than ending your exposure to the underlying at that time. Early termination may occur in the event your account has insufficient funds to support the margin requirement for your position, as a consequence of certain corporate actions, or if [The First Interstellar] for other reasons decides to discontinue the CFD, or if [The First Interstellar] were to become insolvent.

How can I complain?

If you have any questions that the Company can help you with, you may refer to our Frequently Asked Questions in our website or address an email to our Customer Support Department at [info@interstellarfx.eu]. In case the Company is unable to answer your question, or you deem that the answer provided is unsatisfactory, you may submit an official complaint by completing the required form and address it via mail to [backoffice@interstellarfx.eu] or via email to [compliance@interstellarfx.eu]. The Company maintains a Complaints Handling procedure where you can find further details. In certain cases you may refer your complaint to the Financial Ombudsman or the Cyprus Securities and Exchange Commission.

Other relevant information

While this key information document is a detailed summary of this product, it does not contain all information relating to the product. For product specifications (e.g., trading hours, margin calculation, leverage, etc.) please refer to our website. The Trading Terms & Conditions as well as all related Policies and other Disclosure Documents as indicated in 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..