Key Information Document – Shares

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, costs, risks and rewards of this product and to help you compare it with other products.

Product: Contract for difference on a Share

Manufacturer of the Product: Capital Com (UK) Ltd is a company authorised and regulated by the Financial Conduct Authority (the “FCA”) with reference number 793714 and registered office at 4th floor 64-65 Vincent Square, London, United Kingdom, SW1P 2NU, tel.: +44(0)207 932 9280, website: https://capital.com/.

*This Key Information Document was last updated on 16 November 2020.

ALERT: You are about to purchase a product that is not simple and may be difficult to understand. Our CFD trading is not suitable for everyone.

WHAT IS THIS PRODUCT?

Type: Capital Com (UK) Ltd offers contracts for differences (“CFDs”) across a range of underlying asset classes, including, but not limited to, equity, commodities, FOREX, indices and cryptocurrencies. A CFD is a type of transaction the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price of a relevant underlying asset.

This document provides key information on CFDs where the underlying investment option that you choose is a share such as Tesla and Apple Inc. Shares, also known as stocks or equities, represent units into which a company's capital is divided for investment and ownership purposes.

In a CFD contract, one party agrees to pay the other the difference between the value of the financial instrument at the start of the contract and its value at the end of the contract. The client has no rights or obligations in respect of the underlying instruments or assets relating to the CFD.

A list of shares we offer CFDs on can be found at: https://capital.com/live-share-prices

Objective: The mechanism behind CFD trading is quite straightforward. If you believe the price of a chosen financial instrument will go up, you open a CFD position and buy the amount of CFDs you see fit. In other words, you 'go long'. If the market moves in your favour, you make profit. Similarly, if you expect the price of a chosen financial instrument to drop, you take a position of a market going down, or simply 'go short'. Yet, if you miscalculate the direction of the market movement and the price changes contrary to your expectations, you suffer losses.

CFD contracts provide access to leverage, and this allows investors to generate high returns with a small initial deposit. However, leverage can also lead to the loss of the total amount invested.

To open a position you are required to deposit a percentage of the total value of the contract in your account. This is defined as the initial margin requirement. More information with respect to initial margin requirements is outlined below.

CFDs are complex products, generally used for speculative purpose. CFDs are not suitable for “buy and hold” trading, therefore if the Client does not have enough time to monitor such investments on a regular basis, he or she should not trade in CFDs.

Term: CFDs on Shares generally have no maturity date nor any minimum holding period. You decide when to open and close your position(s). We may close your position(s) without seeking your prior consent if you do not maintain sufficient margin in your account. Specifically, if the margin level which is the equity amount to the margin required amount is at or below 50% in your account, our system will automatically and systematically close all open positions and cancel all pending orders where there is an active underlying market for the relevant CFD.

Intended retail investor: CFDs are intended for investors who have the necessary experience and knowledge in order to understand the risks involved in relation to leveraged products. Likely investors will understand how the prices of CFDs are derived, the key concepts of margin and leverage and the fact that capital loss may occur. Investors should also have appropriate financial means and the ability to bear the loss of the initial amount invested.

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

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 unable to fulfil our obligations. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level (up to 100%).

Values may fluctuate significantly in times of high volatility or market/economic uncertainty; such swings are even more significant if your
positions are leveraged and may also adversely affect your position. As a result, margin calls may be made quickly or frequently, and in the event of default, your positions may be closed out and any shortfall will be borne by you (see Term section above). Trade only after you have acknowledged and accepted the risks. You should carefully consider whether trading in leveraged products is appropriate for you.

Our CFDs are not listed on any exchange, and the rates and other conditions are set by us in accordance with our best execution policy. The contract can be closed only with us, and is not transferable to any other provider. If you have multiple positions with us, your risk may be cumulative and not limited to one position.

This product does not include any protection from future market performance so you could lose some or all of your investment. This includes both your deposit(s) as well as any accumulated profits.

The total loss you may incur will never exceed your invested amount. The Company offers Negative Balance Protection to its Clients, meaning that they will never be in a position to lose more funds than the amounts invested with the Company. Please refer to our T&C (8.19) for more details.

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 the section “what happens if we are unable to pay you”). The indicator shown above does not consider this protection.

The tax regime of the country in which you are domiciled may impact your return.

**Be aware of currency risk.** You may 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.**

**Performance Scenarios:** This key information document is not specific to a particular product. It applies to a CFD on any Share available on our platform. However, each CFD you enter into is specific to you and your choices i.e. you shall choose the underlying Share; the size of your position; when you open and close your position; and whether to use any risk management tools we offer such as stop loss orders.

The scenarios shown below are not exact indicators, they are just presented for scenario purposes and illustrate how your investment could perform in favourable, moderate, unfavourable and stress conditions. Your profit and loss will vary depending on how the underlying market performs and how long you keep the position open. 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.

This performance scenarios assume you only have one position open and does not take into account the negative or positive cumulative balance you may have if you have multiple open positions with us. The scenarios also assume that you do not make any further deposits on your account to meet margin calls.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

The following assumptions have been used for our performance scenarios

<table>
<thead>
<tr>
<th>Share CFD intraday (held intraday)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Share opening price</strong></td>
</tr>
<tr>
<td><strong>Trade Size (Per CFD)</strong></td>
</tr>
<tr>
<td><strong>Margin</strong></td>
</tr>
<tr>
<td><strong>Leverage</strong></td>
</tr>
<tr>
<td><strong>Margin Requirement</strong></td>
</tr>
<tr>
<td><strong>Notional Value of Contract</strong></td>
</tr>
</tbody>
</table>

*Description of calculation of overnight fee can be traced in “what are the costs” section*

<table>
<thead>
<tr>
<th>Long Performance Scenario</th>
<th>Closing Price</th>
<th>Price Change</th>
<th>Profit/Loss</th>
<th>Short Performance Scenario</th>
<th>Closing Price</th>
<th>Price Change</th>
<th>Profit/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favorable</td>
<td>$226.11</td>
<td>+4%</td>
<td>$87</td>
<td>Favorable</td>
<td>$223.93</td>
<td>-3%</td>
<td>$65.2</td>
</tr>
<tr>
<td>Moderate</td>
<td>$219.58</td>
<td>+1%</td>
<td>$21.7</td>
<td>Moderate</td>
<td>$220.67</td>
<td>-1.5%</td>
<td>$32.6</td>
</tr>
<tr>
<td>Unfavorable</td>
<td>$213.06</td>
<td>-2%</td>
<td>-$43.5</td>
<td>Unfavorable</td>
<td>$215.24</td>
<td>+1%</td>
<td>-$21.7</td>
</tr>
<tr>
<td>Stress</td>
<td>$206.53</td>
<td>-5%</td>
<td>-$108.8</td>
<td>Stress</td>
<td>$228.28</td>
<td>+5%</td>
<td>-$108.8</td>
</tr>
</tbody>
</table>

The stress scenarios above show how a volatile price movement can rapidly lead to losses and in some circumstances can result in a forced close out of your position and/or loose your entire investment (any cash deposited in your CFD account and any unrealised net profits from any other open positions) due to abnormal market conditions.

The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect the return on your investment.

**What happens if Capital Com (UK) Limited is unable to pay out?**

Capital Com (UK) Limited segregates all retail client funds from its own money in accordance with FCA Handbook. Capital Com (UK) Ltd is also a member of the Financial Services Compensation Scheme (the “FSCS”), which provides compensation for Retail Investors should Capital.com declare default. You may be entitled to compensation under the FSCS where we are unable to meet our duties and
obligations arising from your claim. Whether you are able to claim depends on the type of business and your personal circumstances. Any compensation provided to you by the FSCS shall not exceed eighty-five thousand GBP (85,000£) per Retail Investor. Full details are available on the FSCS’ website: www.fscs.org.uk.

WHAT ARE THE COSTS?

Before you begin to trade CFDs you should familiarise yourself with all costs for which you will be liable. These charges will reduce any net profit or increase your losses. For more information please visit our website.

<table>
<thead>
<tr>
<th>One-off costs</th>
<th>Spread</th>
<th>Spread is the difference between the lower and the higher price of a given CFD i.e. BID and ASK price. No other charges or commissions are paid. Our spreads are set at our absolute discretion and any changes are effective immediately.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing costs</td>
<td>Overnight fees</td>
<td>If you keep a position open overnight (after a certain cut-off time), an overnight premium is subtracted or credited to your account. Overnight fees for CFDs on Shares are calculated as follows: Trade size x Closing Mid Price x Daily (Buy or Sell) Overnight Fee % x (1 – margin percentage used when opening the position) Example: Trade Size: 10, Closing Mid Price: 217.41, Daily Buy Overnight fee %: -0.0175% Margin percentage used when opening the position: 5% (i.e. 0.05) Overnight fee = 10 x 217.41x (-0.0175%) x (1-0.05) Overnight fee = -0.36 In this example, the overnight fee is negative, therefore your account will be debited.</td>
</tr>
<tr>
<td>Additional costs</td>
<td>% - N/A</td>
<td>You should be aware of the possibility that other taxes or costs may exist that are not paid through or imposed by us. It is your sole responsibility to bear these additional costs.</td>
</tr>
</tbody>
</table>

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

CFDs on Shares generally have no fixed term and will expire when you choose to close your positions or in the event you do not have available margin. You should monitor the product to determine when the appropriate time is to close your position(s), which can be done at any time during market hours.

CFDs are intended for short term trading, in some cases intraday and generally not suitable for long term investments. There is no recommended holding period.

Capital Com (UK) Limited does not provide you with any investment advice, our trading service is execution only and we execute trades based on your instructions.

HOW CAN I COMPLAIN?

In the event you are dissatisfied about a financial product or service provided to you by Capital Com (UK) Limited, contact us to submit your complaint, providing the following information to assist us in dealing with your complaint.

Details: https://capital.com/complaints-procedure

OTHER RELEVANT INFORMATION

Further information with regards to this product can be found on our website in the “Markets” section (https://capital.com/live-share-prices). You should ensure that you read our legal documents, which include the Terms & Conditions, Risk Disclosure Statement, Order Execution Policy and Complaint Handling Policy. An indicative list with links to the relevant documents can be traced here.