

Exinity UK Ltd

Good Consumer Outcomes Definition Statement

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1. Introduction

Exinity UK Ltd (**FXTM, we, our**) is authorised and regulated by the Financial Conduct Authority (**FCA**) under Firm Reference Number 777911 and has the trading names, FXTM and Forextime.

FXTM offers contracts for difference (**CFDs**) on an execution-only, non-advisory basis, on financial markets (Foreign Exchange Indices and Currency Pairs, Commodities, Indices, Metals and CFD Stocks) via our online trading platforms and mobile trading applications (MetaTrader4 (**MT4**), MetaTrader5 (**MT5**) and Exinity Trader App) and holds money for our clients in the course of our MiFID business in segregated client bank accounts. Clients are able to make deposits by card (debit and credit), by bank transfer and via e-wallets. Withdrawals are sent back to clients by the same three methods. The majority of our clients are categorised as retail.

We are committed to continuously delivering good consumer outcomes to our retail clients, with this delivery of good consumer outcomes being central to our business strategy and culture.

In offering CFDs, we regularly assess and monitor our delivery of good consumer outcomes and take any action necessary to ensure that, in line with FCA expectations under Principle 12 of the FCA's Principles for Businesses and Individual Conduct Rule 6, we:

- Act in good faith towards our retail clients;
- Avoid causing foreseeable harm to them; and
- Enable and support them to pursue their financial objectives.

In this statement, we define what we consider to be 'good' and 'bad' consumer outcomes across:

- Products and services;
- Price and value;
- Consumer understanding; and
- Consumer support.

2. Products and services

A required outcome for the FXTM/consumer relationship is to provide products and services that are fit for purpose.

Example of Good Outcome	Example of Bad Outcome
Trading platforms, mobile trading applications and website functionality work as expected, with an on average system up time in excess of 99%. See Appendix 1 - System up/down time data.	Clients are unable to use the trading platforms, mobile trading applications or website as intended, with frequent instances of system outages and/or down time.
Clients can easily open and close positions with adequate liquidity and minimal slippage.	Clients are unable to open or close positions due to minimal liquidity and/or there are no risk management tools available to clients to allow them to minimise losses where markets move against their positions.
Clients are able to easily close their trading account within 24 hours of FXTM receiving an account closure request.	Unreasonable barriers are in place for clients to request the closure of a trading account and/or FXTM delays executing the request.
CFDs are only provided to clients within the defined target market; these clients being deemed appropriate.	CFDs are promoted and/or offered to clients outside of the target market, including clients who do not have sufficient experience or knowledge of the products.
The products offered (CFDs) continue to meet each respective client's investment objective(s).	The benefits of the products offered do not provide clients in the target market with the means to meet their financial objectives.
No unreasonably negative impact is caused to clients when products and services are introduced and/or removed.	The impact of the introduction or removal of a product is not adequately assessed in advance, which leads to harm or detriment being caused to clients.
Conflicts of interest in the manufacture and distribution of the products offered are controlled effectively.	Conflicts of interest are not adequately identified or managed during the manufacture and distribution of the products, which leads to FXTM putting our own interests above those of our clients.
Client-facing staff are not incentivised to the detriment of consumers.	Client-facing staff are remunerated for negative sales behaviours which do not discourage client harm.

3. Price and value

A required outcome for the FXTM/consumer relationship is that consumers receive fair value.

Example of Good Outcome	Example of Bad Outcome
Pricing structures are a true reflection of the cost to manufacture and distribute the product with an acceptable profit margin.	Pricing structures are heavily inflated to ensure a bigger profit margin.
Cost and charges are in-line with industry peers.	Costs and charges incurred by clients are significantly more expensive than industry peers, who charge lower prices for the same products and services.
No hidden charges are incurred by clients.	Charges are not made clear to clients upfront and are not highlighted within the terms or conditions or, alternatively, are provided in an obscure place on the website.

4. Consumer understanding

A required outcome for the FXTM/consumer relationship is that communications should support consumers to make informed decisions.

Example of Good Outcome	Example of Bad Outcome
Clients have access to clear, simple and sufficient information to make informed decisions.	Clients are not provided with, or unable to find, relevant information. Information provided contains technical jargon which is not well-defined or explained.
Any financial promotions include prominent and consistent risk warnings which highlight the risks of trading CFDs.	Financial promotions include discreet and/or inconsistent risk warnings which do not sufficiently highlight the risks of trading CFDs.
Clients are encouraged to enhance their knowledge and understanding of CFDs and the associated risks through educational material provided and demo accounts.	Clients who do not have the requisite knowledge or understanding of CFDs are permitted to trade without any support or encouragement to learn how to trade prior to opening a live trading account.

Consumer understanding (continued)	
Example of Good Outcome	Example of Bad Outcome
Key Information Documents (KIDs) provide clients with concise information about the products, risks and potential charges with easy-to-follow examples.	KIDs are either unavailable to clients, contain incorrect information and/or are long-winded and contain technical examples which are not easily understood.
Information is provided in a manner appropriate for vulnerable clients who may have different needs and financial objectives.	The needs and objectives of vulnerable clients are not considered in the delivery of information. Adaptations are not made to ensure vulnerable clients have sufficient access and understanding of the information provided.

5. Consumer support

A required outcome for the FXTM/consumer relationship is that FXTM provides support that meets consumers' needs.

Example of Good Outcome	Example of Bad Outcome
Vulnerable clients within FXTM's target market are identified and processes are sufficiently adapted to cater to the potentially differing financial objectives of different cohorts of clients.	FXTM fails to identify actual and potential vulnerable clients within its target market and thereby does not adapt its services to ensure no harm or detriment is caused to such clients in their use of our products and services.
Vulnerable clients are provided additional support, especially when impactful changes are made to the products and services being offered.	FXTM fails to provide additional support to vulnerable clients who consequently cannot meet their financial objectives as a result.
Clients are not encouraged to risk money that they cannot afford to lose or to top up their margin to avoid crystallisation of losses on open positions.	Clients are pressured into topping up their margin on open positions and thereby exposing them to further losses.
Client queries are promptly responded to within FXTM's internally agreed Service Level Agreement (SLA). See Appendix 2 - Customer Support SLAs.	Clients are provided with no response to their queries or delayed responses which do not sufficiently address the matter.

Consumer support (continued)	
Example of Good Outcome	Example of Bad Outcome
Communication channels used by clients to get in touch with FXTM are fit for purpose, easy to use and have sufficient uptime.	FXTM fails to provide clients with easy-to-use real time communication channels which are aligned with our business model. In addition, communication channels do not work or have high downtime rates with no alternative channels provided.
The client complaints process is open and transparent.	No clear information is provided to clients on their right to complain and the process to follow. Once a complaint has been made, an insufficient, unbalanced and/or delayed response is provided to the client.
Client requests to withdraw funds are promptly processed within FXTM's internally agreed SLA. See Appendix 2 - Customer Support SLAs.	Clients are unable to easily and promptly withdraw their funds.

Appendix 1 System up/down time data

The below table shows system up time for trade server facing clients for H1 2023.

	LIVE	FX	AI	SV	Bali	Average up time
Jan 2023	N/A	100%	100%	100%	99.9769%	99.994225%
Feb 2023	N/A	100%	100%	100%	100%	100%
Mar 2023	N/A	100%	100%	99.8691%	100%	99.967275%
Apr 2023	100%	100%	100%	100%	100%	100%
May 2023	100%	100%	100%	100%	100%	100%
Jun 2023	100%	100%	100%	100%	100%	100%
H1 2023 Average	100%	100%	100%	99.978183%	99.99615%	99.993583%

Please note that for H2 2023 onwards, the SV and Bali data will be consolidated on FX/AI.

Appendix 2 Customer Support SLAs

