



# ETD Long Call Option

## Key Information Document (KID)

### 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.

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

### Product

<b>PRIIP Name</b>	Exchange Traded Derivative - Long Call Option
<b>PRIIP Manufacturer</b>	Exchange venue specific to the option traded.
<b>Website</b>	Contact details specific to the exchange venue.
<b>Telephone</b>	Contact details specific to the exchange venue.
<b>Competent Authority</b>	Authority specific to the exchange venue.
<b>Date of KID</b>	10th October 2022

### What is this product?

#### Type

An Exchange Traded Derivative ("ETD") - Long Call Option

#### Objective

A long call option position provides you with the right but not the obligation to buy an underlying instrument at an agreed price within a specified time. The cost of this right is the option premium that you pay to open the long position. The basic option strategy is that the price of the underlying will rise beyond the agreed strike price before the option expiration date. The value of the option will depend on the price of the underlying instrument, expected dividends (if any), the option strike price, expected market interest rates, time to expiration, instrument volatility and the type of option contract (American or European). The value of any option contract is complex and while a long position typically enables you to benefit from a rise in the underlying it may not necessarily result in a profit above the option premium. A long option requires that you pay the seller the value of the option premium in cash. A long option is a leveraged product; the buyer receives exposure to the notional value of the underlying instrument that is greater than the option premium paid.

#### Intended Retail Investor

Trading in this product will not be appropriate for every investor. This product is intended for investors who have knowledge of, or are experienced with, leveraged products, who have a high risk tolerance and who understand that they may lose the premium they paid to open the position.

#### Insurance Benefits

None

#### Term

There is no recommended holding period although the contract will expire according to its expiration date.

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

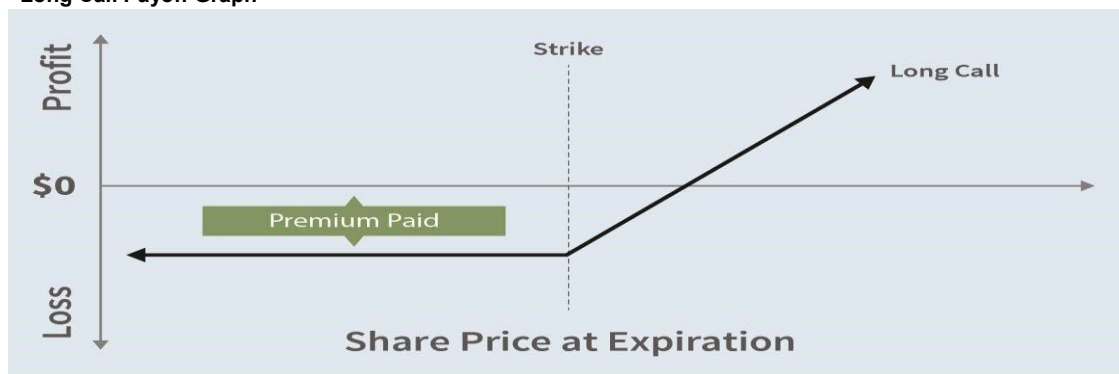
The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the market.



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 in poor market conditions, which can result in a total loss of the capital you invested in this product. **Be aware of currency, leverage, counterparty, and technical risks. All profits, losses premiums and charges in relation to an option are calculated using the currency in which the option is denominated exposing you to fluctuations in the value of that currency if it is not the base currency of your account. 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. You may not be able to close your position easily or you may have to sell at a price that significantly impacts your realized profit/loss.

## Performance Scenarios

### Long Call Payoff Graph



This graph illustrates how your investment could perform. You can compare them with the pay-off graphs of other derivatives. The graph presented gives a range of possible outcomes and is not an exact indication of what you might get back. What you get will vary depending on how the underlying will develop. For each value of the underlying, the graph shows what the profit or loss of the product would be. The horizontal axis shows the various possible prices of the underlying on the expiry date and the vertical axis shows the profit and loss. Buying this product means that you think the underlying price will increase.

The maximum loss is restricted to the cost of the option premium paid. The underlying must move above a level defined by the agreed price ("strike price") combined with the option premium for the contract to be "in the money" else the contract will expire worthless ("out of the money"). An option contract held until expiration may result in a cash payment if the option is in the money (a cash delivery) or the option to buy the underlying for the agreed price (a physical delivery).

## What happens if the PRIIP Manufacturer is unable to pay out?

The PRIIP Manufacturer for an Exchange Traded Option is the exchange itself or an associated clearinghouse which acts as guarantor for the contracts it issues. Client funds held by IBUK, IBIE and IBCE are segregated from their own money as required by the UK FCA Client Assets rules, the Irish CBI Client Assets Regulations and the MNB Client Assets Rules, respectively. IBUK is a member of the Financial Services Compensation Scheme, IBIE is a member of the Investors Compensation Scheme and IBCE is a member of the Hungarian Investor Protection Fund. If IBUK, IBIE or IBCE were unable to pay out, retail investors and certain other investors may be eligible to make a claim for compensation. Investors with an account at IBUK may be eligible to make a claim of up to GBP 85,000. Investors with an account at IBIE may be eligible to make a claim of up to EUR 20,000 under the limits and conditions set out in the Irish Investor Compensation Act (as amended). Investors with an account at IBCE may be eligible to make a claim of up to EUR 100,000 under the limits and conditions set out in the Capital Market Act. Investors may otherwise lose all of their initial investment and any returns generated on their initial investment. For more information and eligibility, investors with an account at IBUK should visit [www.fscs.org.uk/](http://www.fscs.org.uk/), investors with an account at IBIE should visit [www.investorcompensation.ie/](http://www.investorcompensation.ie/) and investors with an account at IBCE should visit [www.bva.hu/en/](http://www.bva.hu/en/).

## 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 amounts shown here are cumulative costs of the product itself, over the recommended holding period. They include potential early exit penalties. The figures are estimates and may change in the future.

## 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.

Estimated Holding Period	An exchange traded derivative can be held unto the specified contract expiration date or, dependent on option type, exercised early.
Investment	Premium specific to the option contract.
Notional Amount	Specific to the option contract.
Total Costs	Specific to the option contract.
Impact on Return	Specific to the option contract.

## Composition of Costs

The table below shows:

- The impact of the different types of costs.
- What the different cost categories mean.

This table shows the impact on return per year			
One-off costs	Entry costs	USD 0.25 – 6.75 per contract	Brokerage Commissions. This is the most you will pay, and you could pay less.
	Exit costs	USD 0.25 – 6.75 per contract	Brokerage Commissions. This is the most you will pay, and you could pay less.
Ongoing costs	Portfolio Transaction costs	0%	Not Applicable
	Other on-going costs	0%	Not Applicable
Incidental costs	Performance fees	0%	Not Applicable
	Carried interest	0%	Not Applicable

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

**Recommended (required minimum) holding period: None**

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. The contract will expire on the expiration date specified in that option contract.

## How can I complain?

Investors with an account at IBUK can address their complaints to Interactive Brokers (U.K.) Limited, 20 Fenchurch Street, Floor 12, London EC3M 3BY ([complianceuk@interactivebrokers.com](mailto:complianceuk@interactivebrokers.com)).

Investors with an account at IBIE can address their complaints to Interactive Brokers Ireland Limited, North Dock One, 91/92 North Wall Quay, Dublin 1 D01 H7V7, Ireland ([compliance@interactivebrokers.ie](mailto:compliance@interactivebrokers.ie)).

Investors with an account at IBCE can address their complaints to Interactive Brokers Central Europe Zrt., Madach Imre ut 13-14, Floor 5, Budapest, 1075, Hungary ([IBCEcomplaints@interactivebrokers.com](mailto:IBCEcomplaints@interactivebrokers.com)).

## 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 details (trading hours, margin calculation, leverage, contract sizes etc.) please refer to the [product section](#) available on our website. The terms and policies displayed on our [website](#) contain important information regarding your account. You should ensure that you are familiar with all the terms and policies that apply to your account.