

**KEY INFORMATION DOCUMENT  
(CASH SETTLED DIGITAL CURRENCY FUTURES)**

**Purpose:** This document provides 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: ICE Futures Singapore Pte. Ltd. (“IFSG”) - Cash Settled Digital Currency Futures**

Details of the specific cash settled digital currency futures contracts traded on IFSG are available at:  
<https://www.theice.com/products/73194874/Bakkt-Bitcoin-USD-Cash-Settled-Monthly-Futures>

Call +1 (770) 738-2101 for more information or email [ICEhelpdesk@theice.com](mailto:ICEhelpdesk@theice.com)  
IFSG is an approved exchange regulated by the Monetary Authority of Singapore.  
Re-issued: January 1, 2021

**Alert:** *You may be considering purchasing a product which is not simple and may be difficult to understand.*

**What is this product?**

**Type:** Derivative. **Cash settled digital currency futures** are considered to be derivatives under Annex I, Section C of **MiFID 2014/65/EU**.

**Objectives**

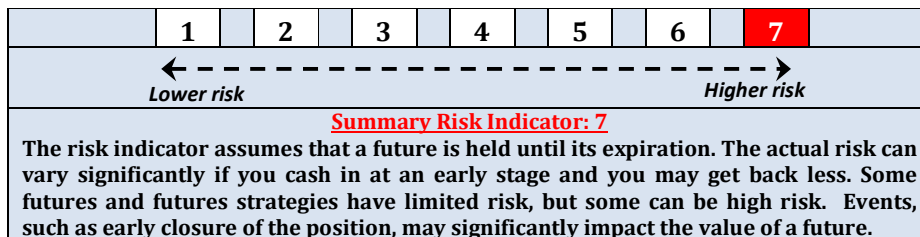
A cash settled digital currency futures contract is a derivative contract based on a deliverable quantity of a particular type of digital currency such as bitcoin. Each contract has a predefined underlying digital currency and a nominal value composed of the total quantity (or lot size) of the digital currency multiplied by its price. The price of the contract changes with forward price expectations for that specification of digital currency. This means that there is a positive relationship between the direction in which the underlying price for that digital currency is moving and the degree by which it is expected to move in its forward value and hence the value of the contract. Each cash settled digital currency futures contract has its own last trading day (“**Last Trading Day**”), after which the product will expire. A long position can be closed by entering into short position and vice versa. If the final settlement price exceeds the opening price the buyer has made a profit and the seller has made a loss. In this case, during the holding period, the seller has paid the buyer the difference between the final settlement price and the opening price multiplied by the contract quantity of the underlying digital currency. If the final settlement price is less than the opening price, the seller makes a profit and the buyer makes a loss. In this case, during the holding period, the buyer has paid the seller the difference between opening price and the final closing price multiplied by the contract quantity of the underlying digital currency. A cash settled digital currency futures contract may in certain circumstances be unilaterally terminated by IFSG and may be terminated by ICE Clear Singapore (“**ICSG**”) (see “What happens if IFSG is unable to pay out?” below) following an event of default of a Clearing Member or invoiced back. Factors that impact a cash settled digital currency futures contract’s value include, but are not limited to, the opening price and underlying digital currency market fundamentals. A digital currency futures contract will (unless you choose to close your position beforehand) automatically expire on the relevant expiry date.

**Intended retail investor**

Cash settled digital currency futures products are not designed to be marketed to a specific type of investor or to fulfil a specific investment objective or investment strategy. All investors should become familiar with the characteristics of this product to make an informed decision on whether or not the product fits their investment needs. If in doubt, investors should contact their broker or investment adviser to obtain investment advice.

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

**Risk indicator:**



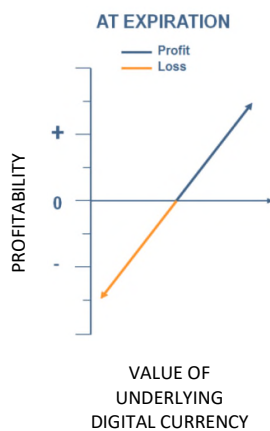
- The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets. We have classified this product as **7 out of 7**, which is the highest risk class. This rates the potential losses from future performance at a very high level.
- **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.**
- In some circumstances you may be required to make further payments to pay for losses. **The total loss you may incur may significantly exceed the amount you have deposited by way of initial margin.**

- This product does not include any protection from future market performance so you could lose some or all of your investment.
- If ICSG (see “What happens if IFSG is unable to pay out?” below) or any intermediary is not able to pay you what is owed you could lose your entire investment.
- **The risk and reward profile of a cash settled digital currency future depends on its terms, but will involve the following considerations:** **Buyers** of a cash settled digital currency futures contract can incur very significant losses, down to a zero or even a negative market price of the contract (in differential terms). The loss is equal to the opening contract price minus the closing sale price multiplied by the contract quantity of the underlying digital currency. **Sellers** of a cash settled digital currency futures contract can incur significant losses. The loss is equal to the closing sale price minus the opening contract price multiplied by the contract quantity of the underlying digital currency. **Buying or selling futures can be high risk and requires extensive product knowledge.** The profit or loss potential of an Oil Future on the Last Trading Day depends on the opening contract price and the relevant closing price. The price of a cash settled digital currency futures contract depends on several factors, such as the price movement of the underlying digital currency in its underlying physical market. Additionally, the potential for profit or loss of cash settled digital currency futures position depends highly on the way the position is used, e.g. Cash settled digital currency futures can be traded as a risk management tool to hedge other investments or as a stand-alone investment.
- This product can expose an investor to significant liabilities in certain circumstances and can be used for a variety of purposes e.g. for hedging/risk management or as a stand-alone instrument. This is a complex product and is only likely to be appropriate for the most experienced, sophisticated and knowledgeable types of investors.

### Performance scenarios

These graphs illustrate how your investment could perform. You can compare them with the pay-off graphs of other derivatives products in different Key Information Documents.

The graphs presented give a range of possible outcomes and are 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 graphs show what the profit or loss of the product would be. The horizontal axis shows the various possible prices of the underlying cash settled digital currency futures on the expiry date and the vertical axis shows the profit or loss.



#### Long cash settled digital currency futures

**Transaction:** Buy cash settled digital currency futures (e.g. Bakkt® Bitcoin (USD) Cash Settled Monthly Futures)

**Margin:** Initial margin plus variation margin to mark to market prices on a daily basis

**Market expectation:** Rising market. Buying this product holds that you think the price of the underlying digital currency will increase.

**Profit/loss calculation:** The profit or loss at expiration is calculated as follows:

**Step one:** Take the final settlement price minus the price at which the contract was entered into then multiply by the contract quantity of the underlying digital currency. Subtract transaction costs.

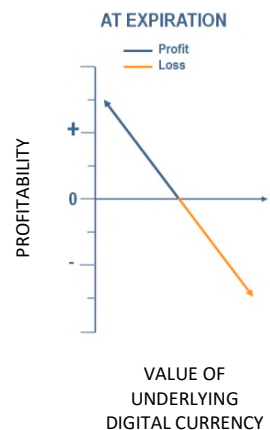
**Step two:** When the result of step one is positive the buyer has made a profit. If the result of step one is negative the buyer has made a loss.

**If the position is held to expiration, buyers of cash settled digital currency futures would need to make the associated payments to cover their cost.**

**Profit and loss characteristics:**

**Profit:** Unlimited

**Loss:** You may lose all of your investment and be required to make additional payments significantly exceeding the initial margin payment.



#### Short cash settled digital currency futures

**Transaction:** Sell cash settled digital currency futures (e.g. Bakkt® Bitcoin (USD) Cash Settled Monthly Futures)

**Margin:** Initial margin plus variation margin to mark to market prices on a daily basis

**Market expectation:** Falling market. Selling this product holds that you think the price of the underlying digital currency will decrease.

**Profit/loss calculation:** The profit or loss at expiration is calculated as follows:

**Step one:** Take the opening price the contract was entered into minus the closing price then multiply by the contract quantity of the underlying digital currency. Subtract transaction costs.

**Step two:** When the result of step one is positive the seller has made a profit. If the result of step one is negative, then the seller has made a loss.

**If the position is held to expiration, sellers of cash settled digital currency futures will receive the associated payment to cover their cost.**

**Profit and loss characteristics:**

**Profit:** Potential to be significant up to the price paid for the contract times the contract quantity

**Loss:** Your maximum loss is unlimited, and you may be required to make additional payments significantly exceeding the initial margin payment.

The scenarios shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The scenarios do not take into account your personal tax situation, which may also affect how much you get back.

<b>What happens if ICE Futures Singapore is unable to pay out?</b>
IFSG is not responsible for paying out under the investment. All derivatives traded on IFSG are centrally cleared by ICSG. IFSG and ICSG are not within the jurisdiction of any financial services compensation scheme in the EU. In the event of a default by ICSG or your clearing intermediary, your position may become subject to default procedures (including termination) under the ICSG or IFSG rules, and you will be exposed to a risk of financial loss.
<b>What are the costs?</b>
<b>Costs over time and Composition of Costs:</b> Transactions (including both opening and closing transactions) in cash settled digital currency futures are subject to exchange, clearing and settlement fees which are charged to clearing members and may be invoiced by clearing members to investors. The full fee schedule is available on our website <a href="https://www.theice.com/fees">https://www.theice.com/fees</a> . Further or associated costs may be charged to retail investors by brokers or other intermediaries involved in a retail derivative transaction. There are no recurring costs for this product.
<b>How long should I hold it, and can I take money out early?</b>
<b>There is no recommended holding period for this product.</b> Cash settled digital currency futures can be held until expiration (Last Trading Day) or positions can be closed out on any trading day up to and including the Last Trading Day. Whether or not retail investors choose to do so will depend on their investment strategy and risk profile. <ul style="list-style-type: none"> <li>✓ A long cash settled digital currency futures position (i.e. a position opened by buying a Bakkt® Bitcoin (USD) Cash Settled Monthly Future) can be closed by entering a sell order (e.g. by giving the relevant instructions to your broker) in the market on any trading day up to and including the Last Trading Day.</li> <li>✓ A short cash settled digital currency futures position (i.e. a position opened by selling a Bakkt® Bitcoin (USD) Cash Settled Monthly Future) can be closed by entering a buy order (e.g. by giving the relevant instructions to your broker) in the market on any trading day up to and including the Last Trading Day.</li> </ul>
<b>How can I complain?</b>
Retail investors should address complaints to the broker or intermediary with whom the investor has a contractual relationship in relation to this product or to the IFSG Chief Regulatory Officer. Complaints must be made in writing to: Chief Regulatory Officer, ICE Futures Singapore, 6 Battery Road, #36-01, Singapore 049909, or can be emailed to: <a href="mailto:icesingapore-complaints@theice.com">icesingapore-complaints@theice.com</a> . See <a href="https://www.theice.com/futures-singapore/regulation">https://www.theice.com/futures-singapore/regulation</a> for full details of IFSG’s Complaints Resolution Procedures.
<b>Other relevant information</b>
<b>No portion of this document is, or is intended to be, addressed to persons outside the European Economic Area (“EEA”).</b>  IFSG has produced this document in order to provide a more efficient basis for compliance with Regulation (EU) No. 1286/2014 (the “ <b>PRIIPs Regulation</b> ”) for exchange trading participants/members. To the extent permitted under the PRIIPs Regulation, IFSG undertakes no duty of care for the contents of this document and makes no warranty, representation or undertaking as to its accuracy. IFSG has not considered the specific circumstances of any ‘retail investor’ (as that term is defined in the PRIIPs Regulation) (“ <b>EEA Retail Investors</b> ”). EEA Retail Investors should only trade in this product based on their own assessment of the risks and should take their own financial, tax and legal advice. Any person making products to which this document relates available to an EEA Retail Investor is responsible for verifying whether this document is sufficient for their purposes or their clients’ purposes, for adding any further disclosures as may be required for their clients and for assessing the suitability and appropriateness for their clients of any products traded on IFSG. IFSG does not admit any members that are EEA Retail Investors, and this document is only relevant to you if you have been offered trading in products traded on IFSG by a third party. IFSG is not responsible for the actions of any such third parties, and to the extent possible under applicable law, IFSG excludes all liabilities in relation to IFSG-traded products offered to EEA Retail Investors by any such third party. IFSG is not a ‘PRIIP manufacturer’ (as that term is defined in the PRIIPs Regulation) with respect to any offer to EEA Retail Investors in any EEA Member State other than those in which English is an official language or otherwise where a translated key information document in an official language of that EEA Member State is produced on IFSG’s website.