



KEY INFORMATION DOCUMENT – CFDs Cryptocurrencies

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. This Key Information Document (“KID”) was last created and updated in March 2018 .

Product

This product’s name is CFDs on Cryptocurrencies.

The manufacturer of this product is Nuntius Brokerage & Investment Services S.A. (“Nuntius”). Nuntius is a regulated investment firm, authorized by the Hellenic Capital Market Commission (“HCMC”) under license number 1/46/10.7.1990. Further information about Nuntius and our products can be found at www.fxglobal24.com and www.nuntiusbrokers.com . We encourage you to visit our websites or contact our Support team via email, phone or live chat [here](#).

Risk Warning

You are about to purchase a product that is not simple and may be difficult to understand. Please ensure that you fully understand the risks involved: This product is traded on margin, it carries a high level of risk and it may not be suitable for all investors. You may sustain a loss of all of your invested capital, therefore, you should not speculate with capital that you cannot afford to lose.

What is this product?

You are about to trade in a Contract for Difference (“CFD”) with the underlying instrument being Cryptocurrencies.

What are cryptocurrencies? - The most common cryptocurrencies are Bitcoin, Ethereum, Litecoin and Ripple. Cryptocurrencies are encrypted digital representation of value that function as a medium of exchange, a unit of account, and/or a store of value, do not have legal tender status in any jurisdiction and are traded on non-regulated decentralized digital exchanges.

The Cryptocurrencies we currently offer as CFDs can be found in our website <https://www.fxglobal24.com/en/crypto-currencies> .

What is CFD?

A CFD is a tradable instrument that represents a contract between two parties to exchange the difference between the current price of an underlying instrument and its price on the day the agreement expires. CFDs are leveraged products, enabling investors to speculate on rising or falling prices of the underlying asset.

Cryptocurrencies are currency pair (eg. BTC/USD) that involve the simultaneous purchase of one currency and sale of another. The currency that is used as the reference is called quote currency (USD) and the currency that is quoted in relation is called the base currency (BTC).

The price of the CFD contract on Cryptocurrencies derives from the price of the Cryptocurrency. An investor has the choice to buy (go long) the currency pair, if the investor believes that the base currency (e.g. Bitcoin) will rise in relation to the quote currency, with the intention to later sell them (close his position) at a higher value.

If the investor believes that the price of the quote currency (e.g. USD) will rise in relation to the base currency, he could sell (go short) the currency pair, expecting to later buy them back (close his position) at a lower price than previously agreed to sell them.

CFDs are traded on margin. This means that you are able to leverage your investment by opening larger positions than the funds you have to place as margin collateral. The margin is the amount reserved on your trading account to cover any potential losses from an open CFD position. It is possible that a loss may exceed the required margin. Margin requirements can be changed at any time to reflect market conditions.

It should be noted that the underlying instrument is never actually owned by you and the profit or loss is determined by the difference between the buying and the selling price of the CFD, minus any relevant costs (detailed below).

How Leverage works?

Here is an example on how margin requirements are calculated in leveraged products:

If you enter into a Buy trade for a CFD on Bitcoin when the underlying price of Bitcoin is USD 17,000, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:2, this means that as a minimum you will need to place USD 8,500 with us. If the price of Bitcoin goes to USD 17,500, you will profit USD 500, minus any relevant costs (detailed below). If it reduces to USD 16,500, you will lose USD 500, plus any relevant costs (detailed below). Depending on whether we apply any notifications when your account is close to margin calls, we may ask you for more money to ensure your trade / position remains open, otherwise we may be forced to close your position. You will never lose more than the Equity of your trading account as we offer Negative Balance Protection. For more information, please refer to our Best Execution Policy.

Objectives

This product is appropriate only for speculative investment purposes.

This is because cryptocurrencies are a relatively new type of instrument, remain to be unregulated by most Financial Authorities and in the European Union are not, at the date hereof, covered by the Markets in Financial Instruments Directive.

The objective of trading CFDs on Cryptocurrencies is to speculate on price movements of the underlying asset. Your potential return depends on movements in the price of the instrument and the size of your position.

By trading a CFD you gain an indirect exposure to the underlying financial instrument without owning it. Through your trading with us, you receive by us exposure to the performance of the underlying asset, but you do not receive any ownership or other rights to such underlying asset.

Execution Model

Nuntius offers trading in CFDs on Cryptocurrencies via a straight through processing execution model. This means that Nuntius' platforms display the best-available direct bid and ask prices from our liquidity providers. Nuntius does not act as a market maker in any CFD. The remuneration that NUNTIUS receives for the execution of your transactions may be based either on the volume of your transactions or on the amount of your losses. It depends on whether a Liquidity Provider (trading on its own account against your positions) remunerates NUNTIUS by providing a percentage of the spread of your trades or based on the profits generated by the Liquidity Provider from your trades, therefore from the amounts that you lose when trading through NUNTIUS.

Intended retail investor

Trading in this product is highly speculative and involves a significant risk of loss, thus it is for clients with a relatively short-term investment horizon. This product is not suitable for all investors but only for those who

- i) understand and are willing to bear the risks involved, including the risks associated with margin trading;



- ii) possess the necessary experience and knowledge about trading in derivatives and the underlying instruments; and
- iii) are financially able to bear the risk of a total loss of their invested amounts, subject to the negative balance protection mechanism offered by Nuntius.

Term

CFDs on FX have no expiration/maturity date and therefore it is up to you to open and close your position. Nuntius will start liquidating your positions, without prior notice by us to you, if your margin level reaches or falls below the Margin Close Out Level of 20%.

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

Risk Indicator

Lower Risk		Higher Risk				
←		→				
1	2	3	4	5	6	7
<p>!!! There is no recommended or minimum holding period for this product. You must maintain sufficient margin in your account to keep your positions open.</p>						

Signification of the indicator

This indicator measures the level of risk at which your investment may be exposed. It shows how likely it is that the product will lose money because of movements in the market or because we are not able to pay you. The CFDs on Cryptocurrencies display a grade of 7 on a scale ranking from 1 to 7 exhibiting the highest risk characteristics. This rates the potential losses from future performance at a very high level.

- **Be aware of Currency risk.** Investing in CFDs with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency. This risk is not considered in the indicator shown above.
- **Leveraged trading** can significantly magnify your profits and your losses and failure to deposit additional funds may result in CFD being auto-closed. **NUNTIUS operates a Negative Balance Protection i.e. you cannot lose more than the Equity of your trading account, however you risk losing the capital invested with us.**
- This product does not include any protection from future market performance so you could lose some or all of your investment.
- CFD's are subject to a number of types of trading risks, including leverage risk, which you should be aware of before beginning to trade. Trade only after you have acknowledged and accepted the risks. You should carefully consider whether trading in leveraged products is appropriate for you. More information on risks that associated with trading in CFDs are detailed on our website <https://www.fxglobal24.com/en/risk-disclaimer>.

Specific Risks of Cryptocurrencies

- At the date hereof, cryptocurrencies are not recognized as a Financial Instrument under the European Union's MiFID and are not the subject of any financial regulation.
- Cryptocurrencies are not covered by the Hellenic Ombudsman for Banking-Investment Services.
- Cryptocurrencies are traded on non-regulated decentralized digital exchanges. This means that the price formation and price movements of the Cryptocurrencies depend



solely on the internal rules of the particular digital exchange, which may be subject to change at any point in time and without notice, including the implementation of trading suspensions or other actions.

- Cryptocurrencies are exposed to high intra-day price volatility, which may be substantially higher compared to other Financial Instruments.
- Because of the high market volatility, we reserve the right to change trading terms (such as spreads, charges, and leverage ratios) at more regular intervals than for trading on CFDs for other instruments. Furthermore, the level of such spreads and other costs is significantly higher than for other instruments.

Performance Scenarios

The scenarios presented herein illustrate how your investment could perform. Scenarios are an estimate of future performance based on evidence from the past but they are not an exact indicator. This KID is not specific to a particular product, it refers to a CFD on any Future. You should refer to the performance of the individual underlying instruments to have regard to past performance and performance scenarios, as these cannot be presented herein. For each trade you enter, you will be responsible for choosing the instrument, the time of opening/closing your position, the size (risk) and any trading tools (stop loss/take profit etc.).

This table shows potential profit and loss under 4 different scenarios (stress, unfavorable, moderate and favorable) for a CFD contract on Cryptocurrency held intraday. The scenarios assume you have a starting equity of \$10,000 and choose to open a long or short position with notional volume 100 Cryptos (a standard lot) and leverage 1:100. This particular CFD contract has a pip cost of \$1 per pip meaning in that you will make or lose \$1 for every pip the price moves. The price at which you can buy i.e. BTC/USD is 10,000.00. A pip on this instrument is the second digit after the decimal place.

Scenarios		Trade P/L	New Equity
<u>Stress scenario:</u> You go long and the price falls by 1000 pips and you then close the position.	Open Price: 10,000.00 Close Price: 9,990.00	-1,000\$	\$9,000 (-10%)
<u>Unfavorable scenario:</u> You go short and price increase by 200 pips and you close the position.	Open Price: 10,000.00 Close Price: 10,002.00	-200\$	\$9,800 (-2%)
<u>Moderate scenario:</u> You go long or short and exit the position at the same rate you entered.	Open Price: 10,000.00 Close Price: 10,000.00	0\$	\$10,000 (0%)
<u>Favorable scenario:</u> You go Long and price increases by 300 pips and you close the position.	Open Price: 10,000.00 Close Price: 10,003.00	300\$	\$9,700 (+3%)

The tax legislation of the investor's home Member State may have an impact on the actual payout

CAUTION: Such products can be very volatile.



What happens if the Company is unable to pay out?

If Nuntius is unable to meet its financial obligations to you, this could cause you to lose the value of any position's you have with Nuntius. Nuntius segregates your funds from its own money in accordance with the HCMC's Client Money rules. Should segregation fail, in case of our financial default, you may seek compensation from Investment Guarantee Fund (the Greek Investors Compensation Scheme), for CFDs on underlying instruments other than cryptocurrencies. The maximum compensation is Euro 30,000. Further information you can find on our website <https://www.fxglobal24.com/en/investor-compensation-fund-policy>.

As Cryptocurrencies are not recognized as a financial instrument under the MiFID and the Greek Investment Services legislation, you are not covered for any trading and open positions that you have with us in such instruments in case of our financial default. The Guarantee Fund will not therefore pay you any compensation.

Fees and Charges

Before you start trading on CFDs on Cryptocurrencies you should familiarize yourself with all one-off, ongoing and other costs for which you will be liable. These charges will reduce any net profit or increase your losses.

This table shows the different types of cost categories and their meaning.

One off costs - At the time of your trade	<u>Spreads</u>	Spread is the difference between the Bid price (selling price) and the Ask price (buying price). Our spreads maybe fixed or variable or may be subject to a minimum. Please refer to our Website for more information on the spreads which we charge which may be substantial.
	<u>Currency conversion rates</u>	Investing in CFDs with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.
Ongoing charges	<u>Overnight Rollover Swap</u>	Rollover is the interest paid or earned for holding a position overnight. Any client holding an open position at the end of the trading day (5pm EST) will be credited or debited rollover. We charge or credit you with overnight fees for facilitating you to maintain an open Buy or Sell position on CFDs. These are ongoing fees / credits for as long as you have open trades with us. On Friday, Rollover are multiplied by three (x3) in order to compensate for the upcoming weekend. Rollover can add a significant extra cost or profit to your trade. For more information on the rollover swaps we charge and the Daily Rollover values please refer to our Website .
Other costs	<u>Inactivity Fee</u>	Inactive accounts are subject to a monthly inactivity fee of 5\$ relating to the maintenance/ administration of such inactive accounts.
	<u>Minimum Fee</u>	A minimum fee for trading amount to 50\$ will be charged to accounts, where the Client has not placed a trade and/or opened or closed positions, during a calendar month.



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*The charges you pay are used to cover the costs of our operational activities, including the liquidity providers' costs, the staff costs, our regulatory license costs, our funding costs as well as the marketing and distribution costs.

**We may also have trading gains from the trades that you enter with us.

***NUNTIUS do not pay any interest on any clients' money you may have in your account with us.

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

CFDs are intended for short term trading, in many cases intraday, and they are generally not suitable for long-term investments. There is no recommended holding period or cancellation/expiration period. You can open and close a CFD on Cryptocurrencies at any time by entering into an opposite trade, only with us, during the market trading hours of each CFD (trading hours of the market of the underlying instrument being made available by us on our [Website](#)).

You can request to withdraw your money at any time. We will process all withdrawal requests within 24 hours irrespective of payment method. We do not charge any withdrawal fees, although some banks may charge transaction fees.

How can I complain?

We apply a comprehensive complaints management policy. You are entitled to submit a complaint at any time in your trading experience with us, where you may feel that our service has not met your satisfaction. When you wish to submit a formal complaint, you can follow the procedure mentioned in our [website](#) .

Note that when trading in CFDs for cryptocurrencies, you will not be able to apply to the Hellenic Ombudsman for Banking-Investment Services. You will be able to apply to HCMC for the quality of the services we offered to you. You may refer to the relevant Greek Courts or Alternative Dispute Resolution (ADR) mechanisms.

Other relevant information

We recommend that you read the Key Information Document, the Terms & Conditions and all our policies forming part of our Regulations available on our [website](#), which sets out all details of your trading and overall relationship with us.