

KEY INVESTOR INFORMATION DOCUMENT CFDs on CRYPTO CURRENCIES

Purpose: This document provides the potential Client with key information about this investment product. It is not marketing material. The information is required by Law to help the Client understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Name of the Product: Contract for difference on crypto currencies

Product Manufacturer: TeleTrade-Dj International Consulting Ltd. The company is registered as a Cyprus Investment Firm (CIF) under registration number HE272810 and licensed by the Cyprus Securities and Exchange Commission (CySEC) under license number 158/11. The company is regulated by the Investment Services and Activities and Regulated Markets Law 87(I)/ 2017. You can find more information about TeleTrade-Dj International Consulting Ltd and our products at <https://www.teletrade.eu>

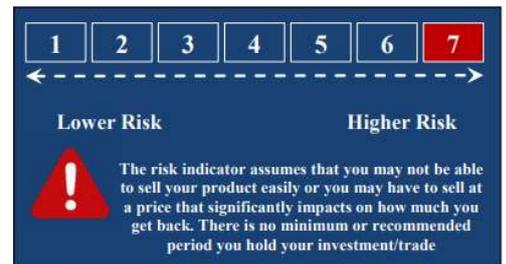
Product design: This document relates to products known as 'contracts for difference', which are also known as CFDs. A CFD allows you to obtain an indirect exposure to an underlying asset such as a security, commodity, cryptocurrency and other asset types. This means you will never own the underlying asset, but you will make gains or incur losses as a result of price movements in the underlying asset. This document provides key information on CFDs where the underlying investment option that you choose is a cryptocurrency such as Bitcoin, Ethereum, or Dash. A cryptocurrency is a virtual currency that is not issued or backed by a central bank or government. The pricing of cryptocurrencies is derived from specific cryptocurrency exchanges and are traded on cryptocurrency exchanges. The cryptocurrencies we currently offer are found at <https://www.teletrade.eu/trade/condition-mt4/crypto#scroll-to-content>

Trading Characteristics: Returns on the CFD trading depends on movements in the price of the underlying asset and the size of your position. It allows you to have a leveraged exposure on an underlying instrument without the need to buy the instrument itself. For example, you believe that there is expected significant volatility on the specific cryptocurrency, you decide to purchase a CFD (also known as "long position"), with the intention to later sell it when the price of the pair goes higher than the initial level. The difference between the price at which you buy and the price at which you sell equals your profit, minus any applicable trading costs. However, if you believe that the price of the cryptocurrency will drop you may sell the a CFD (also known as "short position"), with the intention to buy it later back at a lower price than you previously agreed to sell it for, resulting in us paying you the difference, minus any applicable trading costs. However, in either circumstance if the price moves against you and your position is closed, either by you or as a result of a margin call, you would owe us the amount of any loss you have incurred subject to our negative balance protection. To open a position you are required to deposit a percentage of the total value of the contract in your account. This is referred to as the initial margin requirement. Trading on margin can magnify any losses or gains you make (see further below).

Intended Use and Intended Investor: The objective of trading CFDs is to speculate on price movements (generally over the short term) in an underlying asset. Trading these products is intended for investors who have prior trading experience and/or investment knowledge regarding leveraged products. It is suitable for both Retail and Professional clients, however, sufficient education, training or experience is required to be able to manage risks of leveraged trading. The product is a self-trading product, and is only intended for active investors, that is, for investors prepared to personally monitor quotations, execute trading transactions and make their own decisions on their positions. Each CFD you enter into with us is specific to you and your choices. You will be responsible for choosing the underlying asset; when you open and close your position; the size of your position (and therefore the margin required); and whether to use any risk management tools we offer such as stop loss and take profit orders. You should make sure that you monitor the product at all time in order to determine when the appropriate time is to close your position.

Term: CFDs on cryptocurrencies generally have no maturity date or minimum holding or lock-out period. You decide when to open and close your position, the only restriction being that opening and closing of positions is only available during market hours. [See the trading hours and products' detailed trading conditions at https://www.teletrade.eu/trade/condition-ndd-mt4/crypto](https://www.teletrade.eu/trade/condition-ndd-mt4/crypto). You are in control to decide when to open and close your position. However, please keep in mind that we may close your position without your prior consent if you do not maintain sufficient margin in your account or a trade may be closed due to the stop loss or take profit you set. Any open positions you have on your account may be automatically closed if your available funds fall below 50% (for Retail accounts) or below 20% (for Professional accounts) of the margin required to have those positions open. You can request withdrawal of available funds on your account at any time and this will be processed, if eligible, as soon as possible or the next working day.

Summary Risk Indicator (SRI): The Company has classified this product as a high risk product due to the trading characteristics, therefore this product obtains the highest risk scoring which is 7 out of 7. Crypto-currencies are extremely volatile, their price can change abruptly due to reasons such as temporary lack of liquidity in the market, news related to regulatory developments, or issues with the mining infrastructure. TeleTrade only quotes and executes orders in CFDs on crypto-currencies during the week, Monday to Friday, whereas substantial price changes may also take place in the market during weekends. Pricing of crypto-currencies may not lend itself to traditional fundamental valuation. The above factors make trading in crypto-related instruments subject to additional risks that may result in significant losses over a short period of time, and thus may not be appropriate for retail clients who lack adequate prior exposure to this specific product.



CFDs on cryptocurrencies also inherently carry a substantial spread risk. The Company aims to contain spreads (difference between the price to purchase a CFD and a price to sell a CFD) at or below the 7% level, however, that may not be possible at the times of disturbances in the markets. Spreads that we offer are based off top of the line quotations from crypto exchanges/liquidity providers, with adjustments reflecting: a) transactional cost (commissions) charged by the exchanges; b) depth of the market available at top of the line quotations; c) the multiplication effect of the leverage; and d) liquidity of exchanges and volatility of quotation supplied by them. Typically, the higher are the leverage, volatility of quotations, and commissions charged by the exchange, the higher will be the spreads quoted by the Company. The higher liquidity of the exchanges (i.e. larger is the depth of market at each quote), the smaller will be the Company's spreads.

In addition to the risks of the specific underlying, the product also presents risks of leveraged trading. You should make sure that your account contain adequate margin to avoid any stop outs and keep your position open. Before deciding to trade on margin products you should consider your investment objectives, risk tolerance and your level of experience on these products. These products may not be suitable for everyone and you should ensure that you understand the risks involved. Seek independent advice if necessary. Speculate only with funds that you can afford to lose. In order to assist you with understanding this product TeleTrade advice you to participate in one of our educational webinars explaining the nature and features of crypto, before you start trading CFDs on them.

Performance Scenarios: This key information document is not specific to a particular product. It applies to a CFD on any cryptocurrency that we offer on our platform. The table below represents possible hypothetical outcomes of profit or loss under different scenarios for a typical CFD contract for Ethereum. The table is for illustration purposes only, actual outcomes may differ depending on actual price levels of the instrument.

The scenario below assumes you buy 1 CFD contract (1 lot) relating to an underlying cryptocurrency asset. The price of one contract of a cryptocurrency is \$844.56, which means that your national exposure to the underlying cryptocurrency is \$844.56 (1 cryptocurrency x the buy price of \$844.56). Assuming the initial margin for this cryptocurrency CFD is 20%, you will only have to deposit \$168.80 which is 20% of the notional exposure of \$844.56.

Long Performance Scenario	Closing Price	Price Change	Profit/Loss	Return in % on Invested Capital of \$168.8
Favourable	861.45	2%	+17.45	+10%
Moderate	853.00	1%	+8.72	+5%
Unfavourable	836.11	-1%	-8.72	-5%
Stress	827.66	-2%	-17.45	-10%

The scenario above shows how your investment could perform. You shall always keep in mind that a volatile price movement can rapidly lead either to profit or loss on your investment, and that a small percentage of the price change could result in significant changes in returns on your investment due to the effect of leverage.

Costs of Trading: The below table represents different types of cost associated with trading FX/CFDs:

One-off entry or exit costs	Spread	A spread is the difference between the bid (buy) and the ask (sell) price on the specific instrument you trade. This cost applies to all trading transactions and is realized every time you open and close a trade. Amount of spread that you will incur when making a trade in a particular currency pair is disclosed here
	Commission	This is the commission you pay when you buy and sell an instrument. This cost may not be charged for certain account types. You may check if commission applies to the trading account of a particular type here
	Currency Conversion	This is a cost for converting realized profits and losses as well as any costs and charges for trading in instruments denominated in a currency different from that of your account. E.g. it would apply to trading BTCUSD in EUR accounts, but wouldn't apply for the same trading in USD accounts.
Ongoing costs	Swap	This is the financing cost for keeping your position open overnight. The swap cost can be positive or negative depending of the instrument to be traded. Long and short swap points for each offered instrument are disclosed here

[What happens if TeleTrade-Dj International Consulting is unable to pay out?](#)

If TeleTrade-Dj International Consulting Ltd. is unable to meet its financial obligations to you, then you may lose the entire value of your investment (i.e. account balance held with the Company). However, the Company is a member of the Investor Compensation Fund, which covers eligible clients up to a maximum of €20,000 per person. Further details can be found [here](#). TeleTrade-Dj International Consulting Ltd. segregates all retail clients' funds from its own funds in accordance with the CySEC's rules on safeguarding of financial instruments and funds belonging to clients, therefore retail clients' funds are not subject to risk of any proceedings against the Company.

[How can I complain?](#)

If you wish to make a complaint, you should send an email with full description of the issue you faced at complaint@teletrade.eu. Once a written complaint is submitted, a member of our team will send an electronic acknowledgment of receipt to the Complainant's registered email address within five (5) working days following receipt, to verify that the Company has received the written complaint. If you are not satisfied with the Company's final decision then you can submit a complaint to the Financial Ombudsman at <http://www.financialombudsman.gov.cy>

[Other relevant information](#)

You will find detailed information on our FX CFDs and all our products by clicking [here](#). Please make sure that you read and understand the terms of business, summary order execution policy and risk warning notice displayed in the legal section of our [website](#).