

# Key Information Document – EOS CFD

Version 1.1 – Last Update 21.03.2022

## 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.

## What is a CFD

A Contract for Difference (“CFD”) is a leveraged contract entered into with a CFD provider on a bilateral basis. It allows an investor to speculate on rising or falling prices in an underlying instrument. An investor has the choice to buy (or ‘go long’ on) the CFD to benefit from rising instrument prices, or to sell (or ‘short’) the CFD to benefit from falling instrument prices. The price of the CFD is derived from the underlying instrument price. For instance, if an investor is long an XYZ Company CFD and the price of the underlying instrument rises, the value of the CFD will increase. At the end of the contract, the CFD provider will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor is long and the price of the underlying instrument falls, the value of the CFD will decrease. At the end of the contract, the investor will pay ALB the difference between the closing value of the contract and the opening value of the contract. The leverage embedded within all CFDs has the effect of magnifying both profits and losses. As leverage serves or acts as a mechanism or tool of using borrowed capital as a funding source when investing to expand the investors asset base and potentially generate returns on risk capital. In essence, leverage is the use of debt (or borrowed funds) to amplify returns from an investment or project by increasing or multiplying the purchasing power in the market. It can sometimes be preferable to the issuance of stock to raise capital as this process leads to dilution and therefore aiming to maintain or increase shareholder value, the use of leverage may be preferred to finance assets. In this case the underlying product is cryptocurrency Eos.

## Risk Warnings

⚠ Our CFDs are leveraged products which carry a high level of risk to your capital and investing in them can result in losses that exceed your initial deposit. Investors do not own or have any rights to the underlying assets. These products may not be suitable for all investors. Please ensure you fully understand the risks involved and seek independent advice if necessary.

## The manufacturer

CFDs are provided by ALB Limited. ALB Limited is authorised and regulated by the Malta Financial Services Authority, License No: IS/ 79767.

## What is this product?

The information provided herein relates to the underlying instrument. The Contract for Difference (CFD) for this instrument made available via the ALB cTrader platform is a derivative of the underlying EOS is a platform that's designed to allow developers to build decentralized apps (otherwise known as [DApps](#) for short.) The project's goal is relatively simple: to make it as straightforward as possible for programmers to embrace blockchain technology — and ensure that the network is easier to use than rivals. As a result, tools and a range of educational resources are provided to support developers who want to build functional apps quickly. Other priorities include delivering greater levels of scalability than other blockchains, some of which can only handle less than a dozen transactions per second.

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EOS also aims to improve the experience for users and businesses. While the project tries to deliver greater security and less friction for consumers, it also vies to unlock flexibility and compliance for enterprises.

The blockchain launched back in June 2018. Eos Coin has a market cap of \$2.1 Billion as at 21<sup>st</sup> March 2022.

Please refer to the link provided for further information:

<https://eos.io>

## Product Specifications

| Symbol             | EOS   |
|--------------------|---|
| Trading Hours      | Sun - Fri 23:05 - 22:5900 CET<br>You can open and close a Crypto CFD at any time during market hours. |
| Quotation currency | USD   |
| Leverage (Retail)  | 1:2   |
| Leverage (Pro)     | 1:5   |
| Contract Size      | 250   |
| Tick value         | \$5/1 lot   |
| Tick size          | 0.1   |
| Digits             | 2   |

## What are the costs?

Trading the Eos Crypto CFD incurs the following costs:

### One-off entry or exit costs

- Spread:** The difference between the buy price and the sell price is called the spread. This cost is realised each time you open and close a trade.
- Currency conversion:** Any cash, realised profit and losses, adjustments, fees, and charges that are denominated in a currency other than the base currency of your account, will be converted to the base currency of your account. A currency conversion fee will be charged to your account as a result.

### Ongoing costs

- Daily holding cost:** A fee is charged to your account for every night that your position is held. This means the longer you hold a position, the more it may cost.
- Borrow charge:** For short positions only, a borrow fee is charged to your account for every night that your position is held. This means the longer you hold a position, the more it may cost.

|            |               |
|------------|---------------|
| Swap Short | -20% per year |
| Swap Long  | -20% per year |

## How long should I hold this instrument, and can money be taken out early?

Holding periods do not apply to CFDs and is up to the client's discretion to determine their holding period.

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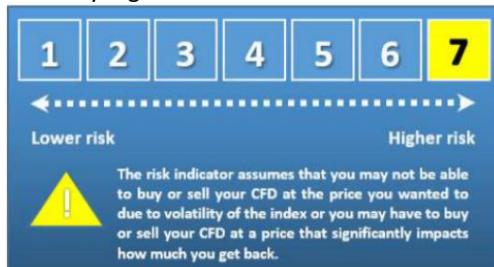
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## Intended Retail Investor

CFDs are intended for investors who have knowledge of, or experience with, leveraged products. Likely investors will understand how the prices of CFDs are derived, the key concepts of margin and leverage. They will understand the risk/reward profile of the product compared to trading other products, and desire short-term, high-risk exposure to an underlying asset. Investors will also have appropriate financial means, hold other investment types and have the ability to bear losses of the total amount invested.

## What are the risks?

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 or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance of the product at a very high level.



CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. There is no capital protection against market risk, credit risk or liquidity risk.

Be aware of currency risk. It is possible to buy or sell CFDs in a currency which is different to the base currency of your account. The final return you may get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

**Volatility:** Market conditions may mean that your CFD trade is closed at a less favourable price, which could significantly impact how much you get back. We may close your open CFD contract if you do not maintain the minimum margin that is required, if you are in debt to the company, or if you contravene market regulations. This process may be automated.

This product does not include any protection from future market performance, so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme.

## What happens if the Company is unable to Payout?

In the event ALB is unable to meet its financial obligations to you, you may lose the value of your investment. However, ALB segregates all retail client funds from its own money in accordance with the MFSA client asset rules.



ALB LIMITED

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ALB Limited is a member of the Investor Compensation Scheme (ICS), a rescue fund for retail customers of failed investment firms which are licensed by the Malta Financial Services Authority.

## Other relevant information

Please find the following contracts and policies on our website <https://www.kimuratrading.com/en/documentation> Privacy Policy | Risk Disclosure Statement | Trading Rules & Conditions | Market Information | Customer Complaints Policy. For more information or questions, please contact us at via telephone +356 2371 6000 or email at [info@kimuratrading.com](mailto:info@kimuratrading.com) and [info@alb.com](mailto:info@alb.com)

## How can I complain?

If you wish to make a complaint about ALB, you should contact our client services team on +356 2371 6000, or email [info@kimuratrading.com](mailto:info@kimuratrading.com). If our client services team is unable to resolve the matter, you may refer it to our compliance department via email [Alb.Compliance@alb.com](mailto:Alb.Compliance@alb.com). If you do not feel that your complaint has been resolved satisfactorily, you are able to refer your complaint to the Office of the Arbiter for Financial Services - <https://www.financialarbiter.org.mt/> - for further information.

## Legal Disclaimer

ALB LIMITED (“ALB”) believes that its customers (the “client”, “customer”, “you”, or “your”) should be aware of the risks involved in entering over-the-counter contracts for foreign currency, precious metals, and contracts for difference (CFDs) and spot foreign exchange contracts (“Spot FX”) (collectively, “OTC Contracts”). The following is a brief, non-exhaustive summary of certain significant factors and special risks you should take into account when deciding whether to trade OTC Contracts. For the avoidance of doubt, this statement does not constitute a form of investment advice, nor has the character of an investment advice.

Before deciding whether to carry out a transaction in OTC Contracts, you are obliged to examine whether concluding such transactions is relevant to your investment targets and in regard to your experience, knowledge and willingness to take risks. If you have any doubts as to the essence of the functioning of financial instruments and their economic sense, you are obliged to ask ALB for an explanation.

This Statement, which constitutes an addition to the Client Agreement and the Terms of Business of ALB, does not disclose or explain all of the risks and other significant aspects involved in trading OTC Contracts. Engaging in transactions offered by ALB can carry a high risk to your capital, where there is the potential that it is lost completely. If more information on the risks involved is required please contact ALB.