

KEY INFORMATION DOCUMENT ETFs CFD

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, risk, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

PRIIP Name	Contract for difference (CFD) based on ETFs, hereinafter "Product"
PRIIP Manufacturer	Conotoxia Ltd, Chryssorroiatissis 11, 3032 Limassol, Cyprus (the "Company", "we" or "us")
ISIN / UPI	QZR5N1DD5HZ8 (Vanguard Mid-Cap ETF)
Website	https://invest.conotoxia.com/
Telephone	+357 25 030 046
Competent Authority	Cyprus Securities and Exchange Commission ('CySEC'), 19 Diagorou Str. CY-1097 Nicosia, Cyprus
Date of Latest Revision of Key Information Document	26th September 2024

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

WHAT IS THIS PRODUCT?

TYPE

An Over the Counter ("OTC") Derivative Contract for Differences ("CFD") on ETFs. The Product uses a financial leverage mechanism. The product allows the retail investor/you to speculate on the increases and decreases in the prices of currency pairs/underlying asset/instrument. The retail investor may open a long (buy) position if believed that the price of the underlying asset will increase or a short (sell) position if believed that the price of the underlying asset will fall.

TERM

Product does not have a recommended holding period, and the retail investor may terminate the investment in the Product at any time. The Product is bought and sold at your discretion. You have the discretion to determine the appropriate holding period based on your own individual trading strategy and objectives, however your position will only be kept open to the extent that you have available margin/funds. Please consult the Company's website for trading times.

OBJECTIVES

The purpose of the Product is to enable the retail investor to derive benefits from changes in the price of the underlying instrument, without owning it. The rate of return on the Product investment depends on the difference between the opening price and the closing price of the position. The Product reflects the changes of prices of the underlying instruments it is based on. The retail investor makes a profit, or a loss, on the Product based on the direction chosen (Buy/Long or Sell/Short) and the direction of the value of the underlying asset. The CFD is settled in cash only and the retail investor has no rights whatsoever to the actual underlying asset. The profit and risk profiles for this Product are symmetric. Before opening a transaction on the Product, the retail investor makes a deposit. The market for most instruments is open 24 hours a day, 5 days a week from Sunday until Friday. For a specific trading timetable please check the following [website](#).

Assuming that the value of the account is equal to the deposit made, the retail investor cannot lose more than the value of the invested amount.

In order to purchase the Product, the retail investor must have sufficient margin/funds in the account. The required initial margin for the Product, based on the maximum leverage 1:5, is 20%. The open position(s) are set to be automatically liquidated if the qualifying equity in the account falls below 50% of the initial margin requirements for all open positions. Margin requirements may be decreased at the retail investor's request, subject to fulfillment of certain criteria, whereas the margin requirements may also be decreased at the Company's discretion (eg. in cases of high market volatility).

Example: you deposit €5,000 in your account and open a long (buy) position with a notional value of €10,000. The initial margin paid for opening the position is €2,000. If the position loses 60% of its notional value and is closed-out, you will have reported a loss of €6,000. The loss will consume the entire equity but, as a retail investor, you will not need to pay the Company deficit/negative balance of €1,000 meaning losses cannot exceed your deposits.

The profit or loss is determined according to the following formula:

For Long (buy) positions: Deal size (in units of underlying asset) x [Close Bid – Open Ask] = P/L (in units of the other asset)

For Short (sell) positions: Deal size (in units of underlying asset) x [Open Bid – Close Ask] = P/L (in units of the other asset)

The P/L from the closed positions is then converted into the base currency of the account, if different. This is done on the basis of the relevant Bid/Ask rate of the two currencies at the time the position is closed. The P/L is also affected by the fees charged by the Company, as detailed below. Therefore, it is important to always maintain the necessary level of margin to support the open positions.

INTENDED RETAIL INVESTOR

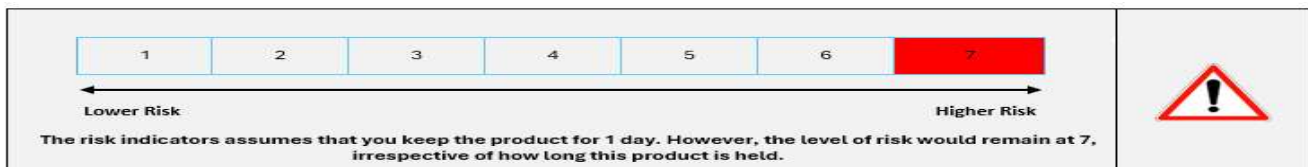
The Product is not appropriate for every retail investor. The Product is intended for a retail investor who understands the mechanism of derivatives/CFDs, have knowledge of, or are experienced with, leveraged products and understand how the prices of CFDs are derived as well as the key concepts of margin and leverage. The retail investor has the ability to sustain the risk of loss of the entire invested amount within a short period of time.

INSURANCE BENEFIT:

None

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

RISK INDICATOR



The overall risk index is an indication of the level of risk of this Product compared to other Products. It shows how likely you are to lose money on the Product due to market changes or as a result of us not being able to pay you. We have classified this Product as 7 out of 7, which is the highest risk class. This means that the potential loss as a result of future performance is rated as very high.

You may not be able to close open positions on the Product easily, or you may have to close at a price that significantly impacts the return on your investment. The Product may be affected by slippage or the inability to close open positions at a desired price due to unavailability of such price in the market. CFDs are OTC products and cannot be sold on any exchange, MTFs or other trading venue. There is no capital protection against market risk, credit risk or liquidity risk. Markets may fluctuate significantly in a short period of time, and we may not be able to close out your position at a price that would avoid losses greater than the initial investment.

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.

This Product does not include any protection against future market performance, so you may lose part or all of your investment. If we (us) are unable to pay you the amount due, you may lose your entire investment. However, you can make use of the consumer protection scheme (see section "What happens if the Company is unable to pay you out?"). This protection is not included in the indicator presented above.

PERFORMANCE SCENARIOS

The ultimate value of your investment in this Product depends on the future performance of the market. The future market situation is uncertain, and it is not possible to predict exactly how it will develop.

The scenarios shown are illustrations using the worst, average and best performance of the Product. The scenarios presented are illustrations based on past performance and certain assumptions. In the future, the markets may evolve in a very different way. The stress scenario shows how much money you can recover in extreme market conditions. The scenarios presented here show what results your investment could produce. What you get will vary depending on how the market performs and how long you hold the position(s) open.

You can compare them with scenarios for other products. Going "long" or Buying this Product means that you believe the price of the underlying asset will rise. Your maximum loss would be the loss of all your invested funds.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product based on historical performance over the last five years. Markets could develop very differently in the future. The stress scenario shows what you might get back in extreme market circumstances, and it does not consider the situation where we are not able to pay you. However, you may benefit from a consumer protection scheme (see the Section "what happens if Conotoxia Ltd is unable to pay you").

SCENARIOS

Recommended holding period: Not applicable. For the purpose of this performance scenario presentation, the assumed holding period is **1 day**.

Notional value: €10,000
€2,000 (initial guarantee to deposit)

The table shows the amounts of profit or loss that an investment can generate in **1 day** under different scenarios, assuming an investment of €10,000 (nominal value).

Scenarios	Example: ETF CFD on Vanguard Mid-Cap ETF for 1 day	if you exit after 1 day
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.	
Stress	What you might get back after costs	(406.07) USD
	Percentage return on notional investment	(4.06%)
Unfavorable	What you might get back after costs	(138.92) USD
	Percentage return on notional investment	(1.39%)
Moderate	What you might get back after costs	(35.73) USD
	Percentage return on notional investment	(0.36%)
Favorable	What you might get back after costs	95.68 USD
	Percentage return on notional investment	0.96%

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

WHAT HAPPENS IF THE CONOTOXIA LTD UNABLE TO PAY OUT?

The retail investor can incur a financial loss if Conotoxia Ltd fails to fulfill an obligation. In the event of Conotoxia Ltd insolvency, retail investors are entitled to claim compensation from the Investors Compensation Fund ("ICF") which covers eligible investments up to €20,000, per retail investor. The Company is a member of the ICF, set up by the CySEC.

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 consider one-off, ongoing and incidental costs. The amount shown here are cumulative costs of the Product itself for an estimated holding period of 1 day. The figures are estimates and may change in the future. For further information, please refer to our Cost and Charges Policy which can be found [here](#).

Costs over Time

The tables show the amounts that are deducted from investments to cover different types of costs. These amounts depend on the investment amount and the holding period of the Product. The amounts shown are illustrations based on a sample investment amount and different investment periods. The person selling you or advising you about the Product may charge you, subject to additional costs. If so, that person will provide you with information about relevant charges and show you the impact the relevant charges will have on your investment, over time.

We assumed, that:

Invested amount: €10,000 (notional value of the position)

- product results are consistent with the stated holding period

We have assumed (i) the product performance as per the moderate scenario, and (ii) a notional amount of €10,000 is invested.

Notional Investment Amount: €10.000	if you exit after 1 day
Total Costs	(30.31) USD
Cost Impact*	(0.30) %

*This illustrates how costs reduce your return over the assumed holding period and a moderate return scenario. For example, it shows that if you exit after 28 days, your average return is projected to be (2.22)% before costs and (3.20)% after costs. This illustrates the effect of costs over a holding period of less than one day. This percentage cannot be directly compared to the cost impact figures provided for other PRIIPs.

Composition of Costs

Cost impact if you exit after 1 day

One-off costs upon exit	Entry costs	<p>Spread: The “spread” is the difference between the lower and the higher price of the Product i.e. BID (selling price) and ASK (buying price). The spreads are set at our absolute discretion, and are already included in the price provided to you. Any changes are effective immediately. Spreads are variable and charged automatically. Specifically, the costs are already included in the price offered. The methodology for calculation is as follows: $\text{Contract Size} * \text{Lots} * \text{Spread Charge}$. For more information, please refer to our website.</p> <p>Commission: Is the amount charged by the broker for opening and closing a transaction. It is a percentage based on the notional amount for the transaction. The methodology for calculation is as follows: $\text{Contract Size} * \text{Lots} * \text{Commission} \% * \text{Current Price}$. For more information, please refer to our website.</p>	(7.81) USD (0.08%)
	Exit costs	<p>Commission: Is the amount charged by the broker for opening and closing a transaction. It is a percentage based on the notional amount for the transaction. The methodology for calculation is as follows: $\text{Contract Size} * \text{Lots} * \text{Commission} \% * \text{Current Price}$. For more information, please refer to our website.</p>	(10.00) USD (0.10%)
	Management fees and other administrative or operating costs	<p>Swap points: If you keep a position open overnight (after a certain cut-off time), an overnight premium is subtracted or credited to your account. Negative is a charge, positive is credit. Overnight swaps applied are variable and applied per instrument, available on the website. Overnight swaps for the Product are calculated as follows: Trade size x Closing Mid Price x Daily (Buy or Sell) Overnight Fee % (variable rate from platform).</p> <p>Inactivity Fee / Dormant: Inactive accounts are subject to a monthly charge after one (1) year of inactivity. The fee is related to the maintenance/administration of such inactive accounts. Find more on Inactive Account in our Terms and Conditions.</p>	<p>Short (2.50) USD (0.03%)</p> <p>Long (2.50) USD (0.03%)</p> <p>10 €/USD/GBP or 40 PLN per account, per month</p>
Ongoing costs	Transaction costs	IN/A	
Incidental costs	Performance fees / Carried interest	You should be aware of the possibility that other costs, including tax, may exist that are not paid through or imposed by us. It is your sole responsibility to familiarize yourself and bear these additional costs.	

This illustrates costs in relation to the notional value of the Product.

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

The retail investor can terminate the investment in the Product at any time. Such a decision is not related to any extraordinary costs, other than the standard cost of closing the position.

Recommended holding period: None

There is no recommended holding period or minimum holding period. The retail investor determines the term of Product holding individually. Early termination may occur in the event your account has insufficient funds to support the margin requirement for your open position(s), due to certain corporate actions, or if Conotoxia Ltd, for other reasons, decides to discontinue the provision of the Product, or if Conotoxia Ltd was to become insolvent.

HOW CAN I COMPLAIN?

The retail investor can submit a complaint regarding the Products and services offered by the Company. Complaints regarding services provided by the Company can be sent by post, or by delivering a person a letter, or by submitting the Complaints Form electronically.

If you have any questions you may refer to the Complaints handling Policy on the Company’s website or contact our Customer Support Department at support@cy.conotoxia.com. In case the Company is unable to answer your question, or you deem that the answer provided is unsatisfactory, you may submit an official complaint by completing the required form and address it via mail to Chrysorroiatissis 11, 3032 Limassol, Cyprus or via email to support@cy.conotoxia.com. The Company maintains a Complaints Handling Policy where you can find further details. In certain cases, if you are not satisfied with the outcome of your complaint to the Company, you may refer your complaint to the Financial Ombudsman or Cyprus Securities and Exchange Commission in Cyprus.

OTHER RELEVANT INFORMATION

While this key information document is a detailed summary of the Product, it does not contain all the information relating to the Product. For the Product specifications (e.g., trading hours, margin calculation, leverage, etc.) please refer to our [website\(s\)](#), the Trading Terms & Conditions as well as all related Policies and other Disclosure Documents, as indicated in our [website\(s\), including trading platform\(s\)](#), which contains important information regarding your account. You should ensure that you are familiar with all the terms and policies that apply to your account.