

Specific Warning to the Investor.

CFD, Options and Futures are Complex Financial Products.

A responsible investment requires that you understand the implications and are willing to accept them.

- . It may involve a sudden loss of all or more than the invested capital.
- It can provide zero or negative income.
- It is subject to Saxo Bank credit risk.
- It implies that costs, commissions or charges are incurred.
- It is not equivalent to initial acquisition or transaction of the underlying assets



CFDs are complex instruments and come with a high risk of losing money rapidly due to the leverage effect.

79% of retail investor accounts lose money when trading CFDs with this provider.

You should consider whether you understand how CFDs work and whether you can afford to take a high-risk of losing your money.

CFDs are considered complex products, appropriate only for professional investors or highly experienced retail investors who can understand how they work and the risk they entail

## ADDITONAL INFORMATION REGARDING MARGIN CALLS AND CFD

In compliance with ESMA regulation and to be able to assure margin close-out protection, DIF presents margin calls which are sent prior to the closure of your derivatives positions, including CFD

# **FIRST MARGIN CALL**

In order to assure the margin close-out protection, DIF informs its clients about their **margin utilization**, which can also be seen in the trading platform "account summary". Below it is explained the risk management information when <u>margin utilization has reached 75%.</u>

Margin utilization can be visualized at all time in account summary and is based on the following formula:

 $margin\ utilization = \frac{maintenance\ margin\ reserved}{margin\ profit/loss +\ cash\ balance +\ transactions\ not\ booked}$ 

Local version:

Margin utilization

75 %

Web version:

Margin utilisation: 75 %



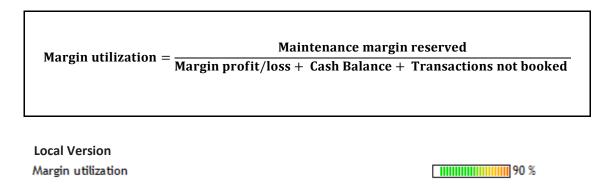
This is the first margin call to inform of the margin close-out protection. In your account summary, you can see that you have reached 75% of margin utilization. Please reduce your open positions or transfer funds to maintain your positions and avoid the close out.

When the margin utilization, as seen in the account summary, reaches 100%, DIF Broker will proceed to close out the derivative positions at market prices, including CFDs, considering the best execution policy for the closing order, as a measure of margin close-out protection.

#### SECOND MARGIN CALL

In order to assure the margin close-out protection, DIF informs its clients about their **margin utilization**, which can also be seen in the trading platform "account summary". Below it is explained the risk management information when <u>margin utilization has reached 90 %.</u>

Margin utilization can be visualized at all time in your account summary and is based on the following formula:



### **Web Version**



This is the second margin call to protect the closing-out initial margin at 50%. In your account summary, you can see that you have reached 90% of margin utilization. Please reduce your open positions or transfer funds to maintain your positions and avoid the close out.

When the margin utilization, as seen in the account summary, reaches a 100%, DIF Broker will proceed to close the derivative positions at market prices, including CFDs, considering the best execution policy for the closing order, as a measure of margin close out protection.

#### POSITIONS CLOSE OUT ALERT NOTIFICATION

Having sent two margin calls and in order to comply with the margin close out protection, we inform that the **derivative positions**, including CFD **have been closed** at market price (Stop Out).

As margin utilization reached a 100%, DIF Broker proceed to close the derivative positions at market prices, including CFDs, considering the best execution policy for the closing order, as a measure of margin close out protection.

Please check your account statement to verify the positions status, as well as the details of the closed transaction.

With the purpose to comply with the ESMA Decision 2018/796 of 22 May 2018 that decided to provisionally restrict the CFD (Contracts for Difference) in alignment with the article 40 of the European Regulation (EU) No 600/2014 of the Council and the European Parliament, DIF Broker informs about modifications related to the CFD contracting services to retail clients (non-professionals), decision that is also subject to ESMA new renewal decisions, in which case, we will update you accordingly.

It is important that you carefully read the general and the additional information, in the link <a href="https://www.difbroker.com/pl/esma-generalandadditionalinformationeng\_vpl/">https://www.difbroker.com/pl/esma-generalandadditionalinformationeng\_vpl/</a> where you will find the fundamental characteristics of european regulation for CFD transactions.

When trading leveraged products, DIF Broker recommends the client to understand the product, the market and to take a risk management approach according to the client's financial situation. It is important the client follows closely the open positions whenever a stop has not been placed, as the risk of leverage products should be properly managed. Please take into consideration a profit can quickly become into a loss. For more information about the products and its risks, visit the page: https://www.difbroker.com/pl/key-information-documents-kids/