

KEY INFORMATION DOCUMENT (KID)

ETP CFD (ETC, ETF AND ETN CFD) – Generic

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, costs, risks and rewards of this product and to help you compare it with other products.

Product

Designation: **ETP CFD**

Seller: DIF BROKER - Sociedade Financeira de Corretagem, S.A. ("DIF Broker"): DIF BROKER markets this product as a result of a trading agreement with Saxo Bank A / S, a financial entity supervised by the Danish Financial Services Authority.

Dif Broker's Contacts: For further information, you may contact DIF Broker on +(351) 211 201 595. Website: www.difbroker.com/pl

Supervisory authority: Portuguese Securities Market Commission, CMVM.

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Alert

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

What is this product?

Product: The "Differential Contract" ("CFD") is a derivative financial instrument, traded in OTC or unregulated market, which allows investors to use financial leverage to hedge or speculate on the price change of an underlying asset, costly replicating its behavior. CFDs allow indirect exposure (also referred to as "synthetic") to a financial product or instrument. CFD over ETP has as its underlying asset an ETF, an ETC or an ETN, respectively:

ETF: ETF is an open-ended investment fund admitted to trading on the stock market and is generally aimed at achieving performance dependent on the behavior of a particular benchmark (be it an index, an asset or an investment strategy);

ETC: ETC is a debt security admitted to trading on the stock exchange and which, as a rule, aims to achieve performance dependent on the behavior of a particular commodity or commodity such as gold, silver, oil, cereals, coffee or others. ETCs offer investors exposure to a single or a small number of commodities and are often guaranteed by both the physical asset and a derivative that gives exposure to an asset, be it an index, an asset or an investment strategy;

ETN: ETN is an interest-free debt security designed to track the return on an underlying benchmark or asset. The ETN is usually issued by a bank, holds no assets and is not covered by collateral. Regardless of whether your income refers to a benchmark or underlying asset, the ETN is similar to an unsecured quoted bond.

The investor has no direct exposure to the product or the underlying financial instrument, therefore the investor may realize gains or suffer losses as a result of movements of the underlying product or financial instrument, to which he will thus have indirect exposure.

Additional information on this product can be found at www.difbroker.com, as well as in the pre-contract information document provided by DIF Broker at the time of account opening and also available at www.difbroker.com.

Objectives:

The purpose of trading an ETP CFD is to gain exposure to ETP-related movements without owning it. The return depends on the range of the underlying ETP's performance (or movement) and the size of its position. For example, if the investor believes the ETP will appreciate, he may buy a certain number of CFDs on that going, with the intention of selling them later when they reach a higher value. For the investor, the profit will be the difference between the selling price and the purchase price minus the relevant costs (detailed below). If the investor believes that the ETP will depreciate, it sells a certain number of CFDs on that going short for a specific amount and expects to repurchase them later for a lower value than the investor agreed to. sell them, resulting in the payment of the difference by DIF Broker, less the relevant costs (detailed below). However, if its position is closed as a result of the underlying instrument having reversed, the investor is indebted to DIF Broker for the amount of the loss incurred (plus any relevant costs).

This product is usually traded with a "margin": the investor has to advance a portion (margin) of the contractual position value assumed to support an investment with a higher exposure. Please note that trading with margins requires extra caution as the investor can make big profits if the price moves in his favor and risks considerable losses if the price moves in the opposite direction since opening the position. For additional information on margins, please visit: <https://www.difbroker.com/en/esma-generaladditional-information/>

Intended retail investors: Trading this product will not be appropriate for everyone. DIF Broker considers that ETP CFD are appropriate for retail investors who have the following characteristics:

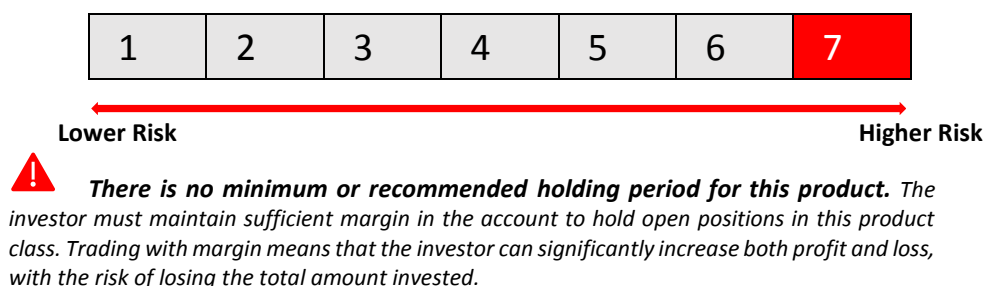
- **Knowledge and experience:** have high knowledge in capital markets and proven experience in trading complex financial instruments, particularly CFD; understand the impact and risks associated with margin trading.

- **Financial situation:** have a financial situation that allows the loss of the initial investment and even superior amounts;
- **Risk tolerance:** Seek speculative and high return investments, but understand the associated increased risks;
- **Objectives and needs:** seek investments in the very short term and always less than one year; Aim hedging and speculation.

Maturity: CFDs over ETP are performing products and generally have no fixed or suggested expiration date. It is the investor who decides when to open and close the position. However, the position will only remain open as long as the investor maintains the necessary margins for holding positions, which can be closed when legal margin limits are reached. .

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

Risk Indicator



The above simplified risk indicator is a guide to the risk level of this product compared to other products. It shows the likelihood of loss of money either from the product due to market movements or the impossibility of repaying the investor. This product is rated 7 out of 7, which corresponds to the highest risk class. Potential losses from future performance are rated at a very high level. **Be aware of exchange rate risk as the investor may receive payments in a different currency, so the final return will depend on the exchange rate between the two currencies. This risk is not considered in the indicator presented above.** In some circumstances, the investor may be required to make additional margin reinforcement payments. Trading risks are increased by leverage: the total loss an investor may incur may amount to the full amount invested for CFD trading, but not higher due to the negative balance protection rules for non-professional clients in place. Values may vary significantly in times of high volatility or market / economic uncertainty; Such fluctuations are even more significant if investor positions are leveraged and may also adversely affect their position. As a result, margin enhancement requirements may be requested quickly or frequently and, in the event of default, the investor's positions may be closed and any outstanding amount will be borne by the investor. Trade only after recognizing and accepting the risks. The investor should carefully consider whether leveraged trading is right for him.

CFDs are subject to market liquidity risk and the availability of liquidity provided by market makers. The investor may undo its position at any time during the trading hours of the CFD market, under normal market conditions.

Performance Scenarios:

There are several types of trading risk, including leverage risk, which you should be aware of before you start trading. Factors affecting the performance of this product include, but are not limited to;

- Leverage risk
- Liquidity risk
- Unlimited loss risk
- Margin risk
- Currency risk
- Market risk
- Unregulated market risk
- Market risk of the underlying asset.
- Risk of market disruption
- Counterparty risk
- Online trading platform and information technology risk
- conflicts of interest
- Taxes / Tax Procedures applicable according to investor typology and / or nature of capital gains / income

The non-professional investor may lose all the invested capital. These losses are more pronounced and are related to the speed of price depreciation of the underlying assets in the timeframe between the position opening date and the position closing date of ETP CFD. The investor may incur unlimited earnings. These gains are more pronounced and are related to the speed of price appreciation of the underlying assets in the timeframe between the purchase date and the sale date of ETP CFD.

Specific examples of trading on ETP CFD can be found [here](#).

What happens if DIF Broker is unable to pay out?

DIF Broker is a fully accredited Portuguese Brokerage company and is a member of The Investor Compensation Scheme (http://www.cmvm.pt/en/Investor_area/SistemaDeIndemnizacaoAosInvestidores/Pages/default.aspx); The Investor Compensation Scheme ("Sistema de Indemnização aos Investidores" or "SII") is a legal entity, established under the terms of Decree-Law 222/99 of 22 June, which operates jointly with the Portuguese Securities Market Commission (CMVM). Its aims are to protect small investors. In the

unlikely event that DIF Broker is declared bankrupt, SII covers cash amounts, securities and margin positions as follows. Securities, for example stocks, held in an individual custody account will be returned to the owner, irrespective of a winding-up order. In the unlikely event that DIF Broker is unable to return the securities held in safe-custody, administered or managed, cash or margin positions, SII as a rule covers losses of up to EUR 25,000 per investor. For more information, you can visit Portuguese Securities Market Commission, CMVM at <http://www.cmvm.pt/en/Pages/homepage.aspx>. If the person advising or selling to you is not DIF Broker directly please contact them directly.

DIF Broker as a distributor of Saxo Bank A / S products or other financial counterparties, in due diligence, monitors and selects solvency and liquidity counterparties to minimize the impact of counterparty risk.

If the entity that advises or sells you these products is not DIF Broker, please contact that entity directly.

What are the costs:

Before you begin to trade ETP CFD you should familiarize yourself with all one-off, ongoing, and incidental costs for which you will be liable. These charges will reduce any net profit or increase your losses. For more information please visit our website <https://www.difbroker.com/pl/#pricing>.

This table illustrates the different types of costs you may incur when investing on CFD over ETP:		
One-off costs	Comission	The fee charged for the service of carrying out the transaction
	Minimum Comission	The minimum fee charged for the service of carrying out the transaction.
	currency conversion rate	The rate charged for converting realized profit / loss from the instrument / product currency to the account currency
On-going costs	Overnight Financing price)	If the investor has a long or short position open after market close, he will be subject to an Overnight Financing fee.
	Borrowing costs (Short position only)	If you hold a short CFD ETP positions overnight you may be subject to a borrowing cost. The cost is dependent on the liquidity of the ETP and may be zero (0) for high liquidity
Incidental costs	-	-

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

Recommended holding period: NO RECOMMENDED HOLD PERIOD

ETP CFD has no recommended holding period. Provided that DIF Broker is open for trading you can enter and exit positions at any time.

How can I complain?

As a customer or potential customer of DIF Broker, if you have raised a question or identified a problem with DIF Broker, for example with a DIF Broker employee who has not received a satisfactory response, you may file a complaint with the I) Personally, by going to any of the offices of DIF Broker and making use of the Complaints Book available for this purpose, in physical and electrical versions or (ii) by electronic means, by directing your complaint to claims@difbroker.com by completing the Complaints Form, if you choose to email us, or at 211 201 599, if you choose to fax. If you are not satisfied with the response to your complaint, which should be answered within 15 days, you may be still file a complaint directly with:

- Securities Market Commission, CMVM: Laura Alves Street, No. 4, 1064-003 Lisbon, through the CMVM website - Investor Support [Here](#).
- Lisbon Consumer Conflict Arbitration Center, personally - Rua dos Douradores, nº 116 - 2º, 1100-207 Lisbon; By Phone - Support Line +351 21 880 70 30; By email - juridico@centroarbitulholisboa.pt or director@centroarbitaduralisboa.pt; Online <http://www.centroarbitulholisboa.pt>/If you as a client or a prospective client of DIF Broker have raised a question or an issue with DIF Broker for instance with your account manager or another employee of DIF Broker without receiving a satisfactory answer, you may file a complaint with DIF Broker as per below. Attn: Complaints, DIF Broker, Sociedade Financeira de Corretagem, S.A. Rua António Cardoso, nº 613, loja 8, 4150-083 Porto, Portugal Or by e-mail to hdesk@dif.pt.

If you are not satisfied with the response to your complaint, which should be answered within 15 working days, you may file a complaint directly either with:

- the Portuguese Securities Market Commission, CMVM: Rua Laura Alves, n.º4 , 1064-003 Lisbon; Online https://www.cmvm.pt/en/Investor_area/investor_relations/Pages/Investor-assistance-intro.aspx Arbitration Center of Consumer Conflicts of Lisbon, In person – Rua dos Douradores, nº 116 – 2º , 1100-207 Lisbon; By telephone - Support line +351 21 880 70 30; By email – juridico@centroarbitragemlisboa.pt or director@centroarbitragemlisboa.pt; Online <http://www.centroarbitragemlisboa.pt/>

Other Relevant Information:

For more detailed information you may want to consider visit our webpage www.difbroker.com