



# KEY INVESTOR INFORMATION DOCUMENT

CFD CRYPTOCURRENCY

Version 1.2

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 **GBE brokers**  
Passion for trading



## 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

The Manufacturer of this product is GBE Brokers Ltd. Contact us on +357 (25) 28 17 36 for more information. GBE Brokers Ltd. is regulated by the Cyprus Securities and Exchange Commission (CySEC). This Key Investor Information Document was first published on 21<sup>st</sup> December 2017 as “Key Information Documents CFD Indices, Commodities, Equities, Metals”.

## Alert

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

## What is this product?

### Type

This is a 'Contract for Difference' ("CFD"). It allows you an indirect (also described as "synthetic") exposure to an underlying Financial Instrument. You will have no direct interest in the underlying product/financial instrument. Accordingly, you can make gains or suffer losses as a result of price or value movements in relation to the underlying product or financial instrument to which you have the indirect exposure. Visit [www.gbebrokers.com](http://www.gbebrokers.com) for further information in relation to the CFDs on Cryptocurrencies available.

## What is a CFD on cryptocurrencies?

GBE brokers may offer CFDs on different underlying instruments. In this case it is a CFD linked to the price of a Cryptocurrency.

### Objectives

The objective of trading a CFD is to gain exposure to movements related to a financial product, benchmark or instrument without owning it. Your return depends on the size of the performance (or movement) of the underlying instrument and the size of your position.

For example, if you believe the value of a currency pair is going to increase, you would buy a number of CFDs ("going long"), with the intention to later sell them when they are at a higher value.

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The difference between the buy price and your subsequent sell price would equal to your profit, minus any relevant costs (detailed below). If you think **the value of a currency pair is going to decrease, you would sell a number of CFDs (“going short”) at a specific value, expecting to later buy them back at a lower value than you previously agreed to sell them for, resulting in GBE brokers paying you the difference, minus any relevant costs (detailed below).** However, if the underlying instrument moves in the opposite direction, and your position is closed, you would owe GBE brokers for the amount of loss you have incurred (together with any costs). This product is commonly traded on margin. Margin refers to the use of a small amount of capital to support an investment of a larger exposure. Please note that margin trading requires extra caution, because whilst you can realise large profits if the price moves in your favour, you risk extensive losses if the price moves against you. More information about margin trading can be found [here](#).

### Intended retail investor

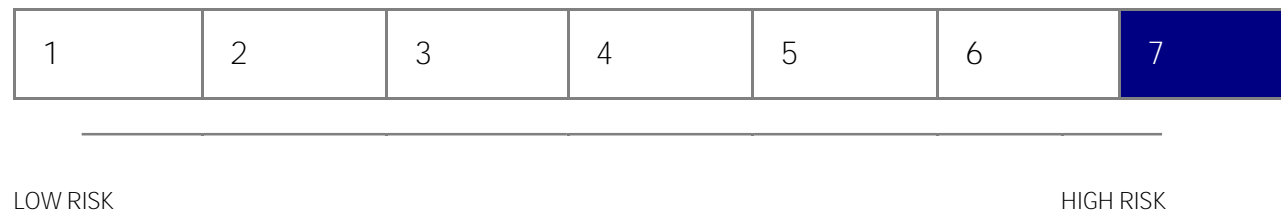
Trading in this product will not be appropriate for everyone. The product would most commonly be utilized by persons who want to generally gain short term exposures to financial instruments/markets; are using (trading with) money which they can afford to lose; have a diversified investment and savings portfolio; have a high-risk tolerance; and understand the impact of and risks associated with margin trading.

### Term

CFDs on Cryptocurrencies are execution only products and generally therefore have no fixed or suggested maturity date. It is up to you to open and close your position, however your position will only be kept open to the extent that you have available margin and you will receive a stop out when your margin level falls between the close out level. Specific information on each underlying investment option can be found [here](#).

## What are the risks and what could I get in Return?

Risk Indicator



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 investor will lose money because of movements in the markets. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level. Be aware of currency risk. You may receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. Trading risks are magnified by leverage – the total loss may be up to your total amount invested. Values may fluctuate significantly in times of high volatility or market/economic uncertainty; such swings are even more significant if your positions are leveraged and may also adversely affect your position.

As a result, Margin calls may be made quickly or frequently, and in the event of default, your positions may be closed out and losses may be realized. Trade only after you have acknowledged and accepted the risks. You should carefully consider whether trading in leveraged products is appropriate for you.

## Performance scenarios

There are number of types of trading risks, including leverage risk, which you should be aware of before beginning to trade. Information on factors that affect the performance of this product are stated below.

- Leverage risk
- Risk of unlimited loss
- Margin risk
- Foreign exchange risk
- Market risk
- Unregulated market risk
- Market disruption risk
- Counterparty risk
- Online trading platform and IT risk
- Conflicts of interest

## Cryptocurrency specific risks

When trading in CFDs, where the underlying asset is a Cryptocurrency, you need to take in consideration that Cryptocurrencies are traded on non-regulated decentralised digital exchanges. Accordingly, the price formation and price movements of Cryptocurrencies depend solely on the internal rules of the particular digital exchange, which may be subject to change at any point in time and without notice. This often leads to a very high intra-day volatility in the prices, which may be significantly higher compared to Financial Instruments other than Virtual Currencies. By trading CFDs on Cryptocurrencies you accept a significantly higher risk of loss of your invested amount which may occur within a very short time frame as a result of the sudden adverse price movements of Cryptocurrencies.

## What happens if GBE brokers is unable to pay out?

GBE Brokers Ltd. is a member of the Investor Compensation Fund (“ICF”) for the Clients of Cyprus Investment Firms (“CIFs”), under the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 144(I)/2007, as subsequently amended from time to time (“the Law”). Detailed information can be found [here](#).

## What are the costs?

Before you begin to trade CFDs you should familiarise 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.

This Table shows the different types of costs for CFDs on Cryptocurrencies:

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Type of cost	Payable	Definition
Spread	One-off costs	Difference between Bid (sell) and Ask (buy)
Commission	One-off costs	Fix Commission based on trade volume
Ongoing costs	Overnight Financing	If you hold a long or short position open after the market close, you will be subject to an Overnight Financing charge



## Cryptocurrency cost example

Buy:	1 Lot BTCUSD (Bitcoin) @3,000
Spread:	10 USD
Swap Rate:	-288.15
Spread in USD:	10
Commission (0.6%):	18
Swap in USD (if you keep the position overnight):	2.88 /300
Total costs in USD:	30.88
Costs in % for opening and 1 Day overnight:	1.029%

Spread / Commission will be charged only one time (opening). Swap will be charged on a daily basis if the client decides to keep the position overnight (23:59 server time). If a client keeps the **position for several days, it will affect the costs of the client's trade. Swap Rates are not fix and can differ from day to day.** Latest Swap Rates are shown on our platform as well as on our website [click here](#)

## How long should I hold a position and can I take money out early?

CFDs on Cryptocurrencies have no recommended holding period. Provided that GBE brokers is open for trading you can enter and exit positions at any time.

## How can I complain?

If you as a client of GBE brokers have raised a question or an issue with GBE brokers for instance with your account manager or another employee of GBE brokers without receiving a satisfactory answer you may file a complaint with GBE brokers as per our [Complaints Procedure for Clients](#).

## Other Relevant Information

GBE brokers shall indicate any additional information documents that may be provided, and whether such additional information documents are made available based on a legal requirement or only at the request of the retail investor.

The information may be provided in summary format, including a link to the website where further details other than the documents referred to are made available.