



Always
by your side

Tradestone Ltd
CySEC License 331/17

Address: 89, Vasileos Georgiou A' street, Office 101
Potamos Germasogeias 4048, Limassol, Cyprus
www.fbs.eu

Key Information Document – CFD on Shares

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.

Product

CFDs on Shares instruments are offered by Tradestone Limited (hereinafter the “Company”, “We” or “Us”), registered in the Republic of Cyprus. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission in the Republic of Cyprus, with license number 331/17. For further information please call +357 25 313540 or visit <https://www.fbs.eu/en>. This document was last updated on the 21st of April 2023.



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

What is this product?

Type

This investment product is a Contract for Differences (hereinafter the “CFD”) on shares. A CFD is an Over the Counter (hereinafter the “OTC”) leveraged financial instrument and its value is determined based on the value of the underlying asset. The investor makes a profit or a loss on the CFD based on the direction chosen (Buy or Sell) and the direction of the value of the underlying asset. The CFD is settled in cash only and the investor has no rights whatsoever on the actual underlying asset. This document provides key information on CFDs where the underlying investment that you choose is a stock such as Apple Inc or Microsoft.

Objectives

Using CFDs on shares or stocks can diversify the holdings of an investment portfolios. Given the wide scope of the stocks available, investors opt to generate capital appreciation at times or simply preserve capital from inflation at other times. Investors can benefit from price fluctuations to achieve their investment goals without the actual transfer of ownership, but they forgo any dividends paid out on the traded shares since they do not actually possess the underlying stock, instead a CFD that traces the price.

CFDs are traded on margin. This means that you are able to leverage your investment by opening larger positions than the funds you have to place as margin collateral. The margin is the amount reserved on your trading account to cover any potential losses from an open CFD position.

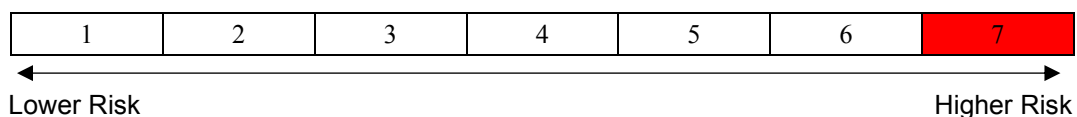
Intended Investor

CFDs are intended for investors who have knowledge of, or are experienced with, leveraged products and that understand how the prices of CFDs are derived, the key concepts of margin and leverage, the fact that losses may exceed deposits and have the appropriate financial means to bear losses of the entire amount invested over an unknown investment horizon in the case of stocks.

It should be noted that the underlying instrument is never actually owned by you and the profit or loss is determined by the difference between the buying and the selling price of the CFD, minus any relevant costs (detailed below).

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

Risk indicator





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- Summary Risk Indicator: 7.
- The risk indicator assumes that a CFD contract is held for a reasonable amount of time thereby mitigating the effect of costs of opening and closing transactions on the overall return. The actual risk can vary significantly if you cash in at an early stage and you may get back less. CFDs on shares have high risk.
- 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 unable to pay you.
- We have classified this product as 7 out of 7, which is the highest risk class. This rates potential losses from future performance at a very high level. This can result in large gains or losses.
- The total loss you may incur may exceed the amount posted as collateral since CFDs are leveraged products. In the event of high market volatility or low liquidity, your position can be severely affected, and your positions may be closed out due to margin calls.
- This product does not include any protection from future market performance so you could lose some or all your investment. However, you may be eligible for protection under the consumer protection scheme in case of the company's insolvency. The indicator shown above does not consider this protection.
- Be aware of currency risk. You may receive payments in a different currency depending on the product, so the final return you get may depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.
- CFDs on shares have no expiration/maturity date and therefore it is up to you to open and close your position.

Performance Scenarios

There are several types of trading risk, including leverage risk, which you should be aware of before beginning to trade. Information on factors that affect the performance of this product are detailed below including but not limited to:

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

Future market developments cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns can be lower.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you will get vary depending on how the market performs and how long you hold the CFD. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

For more specific trading examples in this specific product can be found [here](#).

CFDs on Shares				DBK (Deutsche Bank AG)			
Opening Price	P			9.57EUR			
Trade size (per CFD)	TS			1000 LOT (equivalent to 1000 stock)			
Margin %	M			20%			
Margin Required	MR=P x TS x M			1914EUR			
Notional value of the trade	TN=TS x P			9570EUR			

LONG Performance Scenario	Closing Price	Price Change	Profit/Loss in €	SHORT Performance Scenario	Closing Price	Price Change	Profit/Loss in €
Favourable	9.95	4%	38.28	Favourable	9.19	-4%	38.28
Moderate	9.76	2%	19.14	Moderate	9.38	-2%	19.14
Unfavourable	9.19	-4%	-38.28	Unfavourable	9.95	4%	-38.28
Stress	8.90	-7%	-66.99	Stress	10.24	7%	-66.99



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Please be aware that if you are classified as Retail Client, the loss will be restricted to your account balance as we offer negative balance protection. The figures shown in the performance scenarios do not consider your personal tax situation, therefore the tax legislation of your home member state may have an impact on the actual pay-out.

What happens if Tradestone Ltd is unable to pay out?

If the Company becomes insolvent and is unable to pay out to its investors, Retail Clients may be eligible to compensation of up to €20,000 by the Investor Compensation Fund ("ICF") set up by the Cyprus Securities and Exchange Commission. For more information, please visit our [Investor Compensation Fund Policy](#)

What are the costs?

The Company charges only a spread when an investor trades CFDs on Shares. The spread per each underlying asset is detailed on the Company's website by clicking [here](#). The below table portrays an illustration of types of costs along with their meaning:

One-off costs	<i>Spread</i>	This is the difference between the Bid and Ask price
	<i>Commission</i>	This is a charge applied to each transaction in percentage terms with respect to the notional value of the trade. It is set at 0.7% for each transaction cycle (buy and sell).
	<i>Currency conversion</i>	The cost of converting the Profit or Loss resulting from the trades from the quote currency to the currency of your Trading Account
Recurring costs	<i>Swap fees</i>	This is the financing cost in case the client decides to roll back the position to an earlier date or roll over the position to a later date than the maturity date. Depending on whether the position is long or short and the prevailing interest rates of the relevant currency, your account may be credited or debited with the Swap fee. Please refer to our website by clicking here

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

CFDs on shares do not have a recommended holding period and it is at the investors' discretion to decide the appropriate holding period according to their individual trading strategy and objectives. In general, CFDs are intended for short term trading, in some cases intraday and are not suitable for long-term investments. Opening and closing transactions in CFDs on shares can occur during the weekdays during stock market opening hours.

How can I Complain?

Clients who wish to file a complaint can do so by submitting the complaint form to the below email address: complaints@fbs.eu. The complete complaints handling procedure and the complaint form can be found on the Company's website.

Other Relevant information

We draw your attention to the following documents that are required to be made available by Law, which are available on our website: <https://fbs.eu>

Legal Document: Client Agreement // Order Execution Policy // Risk Disclosure Notice // Conflict of Interest Policy // Privacy Policy