

# Key Information Document – CFDs 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. This Key Information Document (“KID”) was last updated in January 2018.

## Product

The manufacturer of this product is TradeTech Alpha Limited (“TTA” or “Company”). TTA is a regulated investment services firm, authorised and regulated by the Financial Conduct Authority (“FCA”) under license number 607305. Further information about TTA and our products can be found at [www.tradetechnalpha.com](http://www.tradetechnalpha.com).

## Alert

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

## What is this product?

You are about to trade in a Contract for Difference (“CFD”) with the underlying instrument being Shares.

## What is CFD?

A CFD is a tradable instrument which represents a contract between two parties to exchange the difference between the current price of an underlying instrument and its price on the day the agreement expires. CFDs are leveraged products, enabling investors to make transactions with only a small margin (deposit). 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 is the underlying instrument?

TTA may offer CFDs on different underlying instruments. In this case it is a CFD linked to Shares. The Shares we currently offer as CFDs can be found on our website.

## So how do CFDs work?

When you enter into any order to Buy or Sell a CFD on one of our trading platforms, you trade with us as our counterparty. We are your Principal to each trade that you enter. Therefore, if your trade is profitable, we lose. If your trade is loss making we earn a profit. Our profits or losses may be reduced by the level of hedging we may undertake to contain our trading risk. As an example – if you enter into a Buy trade for a CFD on Facebook when the underlying price of Facebook is USD 150.00, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:100, this means that as a minimum you will need to place USD 1.50 with us. If the price of Facebook goes to USD 160.00, you will profit USD 10.00, minus any relevant costs (detailed below). If it reduces to USD 145.00, you will lose USD 5.00, plus any relevant costs (detailed below). Depending on whether we apply any notifications when your account is close to margin calls, we may ask you for more money to ensure your trade / position remains open, otherwise we may be forced to close your position. For more information please refer to our Order Execution Policy.

## Objectives

By trading a CFD you gain an indirect exposure to the underlying financial instrument without owning it. Through your trading with us, you receive exposure to the performance of the underlying asset, but you do not receive any ownership or other rights to such underlying asset. This product is appropriate only for speculative investment purposes.

## Intended retail investor

Trading in this product will not be appropriate for everyone. The product would most commonly be utilised 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.

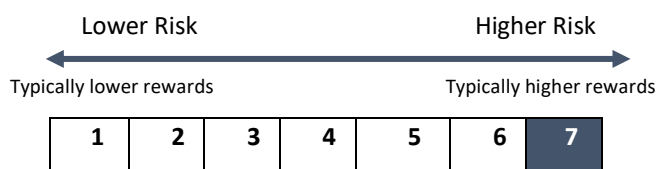
## Term

CFDs on Shares generally have no expiration date and therefore it is up to you to open and close your position.

You should be aware that if your margin level reaches or falls below the Margin Close Out Level of 25%, you will receive a stop out or margin call and all your positions will be liquidated, without notice by us to you.

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

### Risk Indicator



### Signification of the indicator

This indicator measures the level of risk at which your investment may be exposed.

The risk category is not guaranteed and may shift over time. The lowest category does not mean «risk-free».

The CFDs on Shares display a grade of 7 on a scale ranking from 1 to 7 (1 being the least risky category). They therefore exhibit (because also of leverage) the highest risk characteristics.

### General CFD risks

- CFDs are complex financial instruments and are traded Over the Counter (“OTC”). You can only exit a position by trading with us, during the trading hours of the underlying instrument as stated on our website. You cannot transfer your open positions/trades to any other firm.
- You do not own the underlying asset. Through your trade with us, you receive by us exposure to the performance of the underlying asset, but you do not receive any ownership or other rights to such underlying asset.
- CFDs are leveraged products. You only need a small margin for getting exposure to the underlying asset. Leverage can magnify both your profits as well as your losses.
- Statistically, because of leverage, a significant number of clients lose because leverage amplifies losses, leading to margin calls and closures of clients’ open positions and you risk losing the capital invested with us.
- CFD trading is undertaken on electronic platforms. There may be times that system or other breakdowns arise. This may affect your ability to trade, or our ability to offer continuous prices or create a need for subsequent adjustment of prices to reflect underlying exchange prices.
- Prices of CFDs as well as their commercial terms like the spreads and overnight fees maybe varied to reflect periods of actual or expected heightened market volatility.
- Depending on the currency your trading account is denominated in and the currency of the underlying instrument you trade, your final return maybe exposed to the exchange rate risk between the two currencies.
- The tax legislation of your home Member State may have an impact on your return.

### Shares specific risks

CFDs on Shares can be generally affected by:

- A corporate action being applied on the underlying instrument. In such case, the Company reserves the right to perform any necessary adjustment to the value and/or the size of the position held on the CFD, aiming to neutralize the economic effect of the corporate action on the CFD price.
- Dividend distribution issued by the issuer of the underlying shares in a CFD – In such cases a cash adjustment, positive or negative depending on the direction of your trade, are applied to neutralize the economic effect that may affect the price of the underlying Share on the ex-dividend date.
- Delisting from the relevant exchange that the underlying share is tradable on. In such cases, the Company reserves the right to proceed with the closure of your positions at the last official mid-price quoted on the underlying exchange.

## Performance Scenarios

This is a Key Investor Document for all CFDs on Shares. You should refer to the performance of the individual underlying instruments with regard to past performance and performance scenarios as these cannot be presented herein. However, you are cautioned that such products can be very volatile. For more information please refer to our Order Execution Policy.

## What happens if the Company is unable to pay out?

If TTA is unable to meet its financial obligations to you, you may lose the value of your investment. However, TTA segregates all retail client funds from its own money in accordance with the UK FCA’s Client Asset rules. TTA also participates in the UK’s Financial Services Compensation Scheme (FSCS) which covers eligible investments up to £50,000 per person, per firm. See [www.fscs.org.uk](http://www.fscs.org.uk)

## Fees and Charges

- The charges you pay are used to cover the costs of our operational activities, including the costs of obtaining market / price data from the underlying exchanges, the costs of us hedging the trading you undertake with us (if we choose to do so), the staff costs, our regulatory license costs, our funding costs as well as the marketing and distribution costs.
- We may also have trading gains from the trades that you enter with us.
- We do not pay any interest on any clients' money you may have in your account with us.
- Please consult your own advisor to understand the nature of our below costs and charges:

<b>One off costs - At the time of your trade</b>	Spreads	Spread is the difference between the Bid price (selling price) and the Ask price (buying price) and reflects, in part, the spreads of the underlying exchange where the underlying instrument is traded on. Our spreads maybe fixed or variable or may be subject to a minimum. Please refer to our website for more information on the spreads which we charge which may be substantial.
	Currency conversion rates	Investing in CFDs with an underlying asset listed in a currency other than your base currency entails a currency risk, due to the fact that when the CFD is settled in a currency other than your base currency, the value of your return may be affected by its conversion into the base currency.
<b>Ongoing charges</b>	Overnight Rollover Swap	We charge or credit you with overnight fees for facilitating you to maintain an open Buy or Sell position on CFDs. These are ongoing fees / credits for as long as you have open trades with us. Please refer to our Order Execution Policy for more information on these fees.

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

- You can only exit an open trade by entering into an opposite trade, only with us, during the trading hours of the market of the underlying instrument being made available by us on our website.
- You can request to withdraw your money at any time. We will process withdrawal requests within 24 hours irrespective of payment method. Minimum withdrawal amounts might apply, depending on the mode of remitting funds to you. We do not charge any withdrawal fees, although some banks may charge transaction fees.

## How can I file a complaint?

We apply a comprehensive complaints management policy. You are entitled to submit a complaint at any time in your trading experience with us, where you may feel that our service has not met your satisfaction. When you wish to submit a **formal complaint**, you can do so by sending an email to [compliance@tradetechalpha.com](mailto:compliance@tradetechalpha.com) or in writing to TradeTech Alpha, Broadgate Tower, 20 Primrose Street, London EC2A 2EW.

If upon receipt of our final response on your complaint you are not satisfied or in case no response is received within the 8 week timeframe, you can refer your complaint to the Financial Ombudsman. See [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) for further information.