

# Key Information Document (KID)

## 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

**Name of Product:** Contracts for Difference (CFDs) on Shares

**Name of PRIIP manufacturer:** Redpine Capital Limited (the "Company"), a Cyprus investment firm established in accordance with the laws of the Republic of Cyprus and is regulated by the Cyprus Securities and Exchange Commission with license number 391/20.

Further Information: More information on the Company can be found on the [Company's Website](#) or by contacting us via [email](#), [phone at +357 25262719](#). This document was created/last updated on October 2023.

## Risk Warning

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

## What is this product?

### Type

Over the Counter Contract for Difference (CFD) where the underlying is Shares. You can visit the [Company's website](#) for more information on the CFDs on Shares available to trade.

### Objectives

The objective of trading CFDs on Shares is to speculate on price movements (generally over the short term) by obtaining an indirect exposure to the specific Shares. Your return depends on movements in the price of the underlying future instrument and the size of your position. For example, if you believe the value of a CFD on Shares is going to increase, you would buy a number of CFD contracts on Shares (this is also known as "going long"), with the intention to later sell them when they are at a higher value. The difference between the price at which you buy and the price at which you subsequently sell equates to your profit, minus any relevant costs (detailed below). If you think the value of a CFD on Shares is going to decrease, you would sell a number of CFD contracts on Shares (this is also known as "going short") at a specific value, expecting to later buy them back at a lower price than you previously agreed to sell them for, resulting in us paying you the difference, minus any relevant costs (detailed below). However, in either circumstance if the CFD on Shares moves in the opposite direction and your position is closed, either by you or as a result of a margin call (detailed below), you would owe us the amount of any loss you have incurred together with any costs. To open a position and to protect us against any losses you incur, you are required to deposit a percentage of the total value of the contract in your account. This is referred to as the margin requirement (see further below). Trading on margin can enhance any losses or gains you make. Through your trading with us, you receive the exposure to the performance of the underlying instruments, but you do not receive any ownership or other rights to such underlying asset/ instrument. This product is appropriate only for speculative investment purposes.

### Intended retail investor

Trading in this product is highly speculative and involves a significant risk of loss. This product is for clients with a relatively short-term investment horizon, and is NOT suitable for ALL investors but only for those who (i) have a high-risk tolerance; (ii) are trading with money they can afford to lose, subject to the negative balance protection mechanism offered by the company; (iii) have experience and knowledge about the underlying financial instrument, are comfortable trading in the financial markets and understand the impact of the risks associated with margin trading; and (iv) want to generally gain short term exposures to financial instruments/markets.

### Term

CFDs on Shares have no maturity, expiration date or minimum holding period. It is up to you to decide when to open and close the positions. You should be aware that if your margin level reaches or falls below the Margin Close Out Level of 50%, you will receive a stop out or margin call and your positions will start liquidating, without notice by us to you, starting-off with the position having the highest losses.

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

### Risk Indicator

There is no recommended or minimum holding period for this product. You must maintain sufficient margin in your account to keep your positions open. The summary risk indicator is a guide to the level of risk of these products compared to other products. This indicator measures the level of risk at which your investment may be exposed. It shows how likely it is that you will lose money because of movements in the markets.

1 2 3 4 5 6 7



Lower risk

Higher risk



There is no recommended or minimum holding period for this product. You must maintain sufficient margin in your account to keep your positions open. Trading on margin means you could lose significantly more than your initial investment.

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 out of 7. They exhibit (because also of leverage) the highest risk characteristics. Be aware of currency risk. You may receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. CFD on Shares trading, requires you to maintain a certain level of funds in your account to keep your positions open. This is called margin. You will be able to open a position by depositing only a small portion of the notional value of the position, creating a leveraged position.

Trading on leveraged capital means that you can trade amounts significantly higher than the funds you invest, which only serve as the margin. High leverage can significantly increase the potential return, but it can also significantly increase potential losses. Customers must always maintain the Minimum Margin Requirement on their Open Positions.

The Company has the right to liquidate any or all Open Positions whenever the Minimum Margin Requirement is not maintained. Margin requirements are subject to change at any time. In order to, prevent any confusion, the Company, at its best effort, will inform customers about any projected changes on Margin Requirements by email and via the messaging system of the trading platform at least a week before changes are implemented.

The CFD on Shares you are trading are not listed on any exchange, and the prices and other conditions are set by us in accordance with our best execution policy. Therefore, the Company shall take all reasonable steps to obtain the best possible results for you when receiving, transmitting, and executing your orders. For further details please refer to the Company's [Best Execution policy](#).

This product does not include any protection from future market performance so you could lose all of your investment. The Client could place Stop Loss to limit potential losses and Take Profit to collect profits.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the Investor Compensation Fund (see the section 'what happens if we are unable to pay you'). This indicator shown above does not consider this protection.

## Performance Scenarios

The scenarios shown illustrate how your investment could perform. The stress scenario shows what you might get back in extreme market circumstances. You can compare them with the scenarios of other products. The volatility of the underlying is an important factor; we have illustrated the possible performance with low, medium or high volatility.

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 get will vary depending on how the market performs and how long you keep the product, and importantly whether you have sufficient funds in your account to sustain the losses depicted. The Company will automatically liquidate positions if the equity in the account is insufficient to meet margin requirements.

The figures shown include all the costs of the product itself but do not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back. Opening a long position holds that you think the underlying price will increase, and opening a short position holds that you think the underlying price will decrease.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

The example below shows potential profit and loss under 4 different scenarios. The following assumptions have been used to create the scenarios in Table 1:

Equity CFD on Total SE (Held Intraday)		
Equity Opening Price	P	€50
Trade Size (per CFD)	TS	1
Margin %:	M	20%
Margin Requirement (\$)	$MR = P \times TS \times M$	€10.00
Notional value of the trade (\$)	$TN = MR/M$	€50.00

Table 1:

LONG Performance Scenario	Closing Price	Price Change	Profit/Loss	SHORT Performance scenario	Closing Price	Price Change	Profit/Loss
Favourable	50.75	1.50%	€0.75	Favourable	49.25	-1.50%	€0.75
Moderate	50.25	0.50%	€0.25	Moderate	49.75	-0.50%	€0.25
Unfavourable	49.25	-1.50%	- €0.50	Unfavourable	50.75	1.50%	- €0.75
Stress	47.50	-5.00%	- €2.50	Stress	52.50	5.00%	- €2.50

## What happens if Redpine Capital Limited is unable to pay out?

### Investor Compensation Fund

The Company is a member of the Investor Compensation Fund ("ICF"). The objective of the ICF is to secure claims of the covered Clients against the Company, through the payment of compensation in cases where the Company is unable, due to its financial circumstances and when no realistic prospect

of improvement in the above circumstances in the near future seems possible. The amount of compensation shall be based on the investors' equity and up to the maximum amount of €20,000 (twenty thousand euros). This amount is the total amount that an investor can claim irrespective of the number of accounts. For further details please refer to the [Investor Compensation Fund policy](#).

## What are the costs?

This table shows the different types of costs involved when you trade CFD products. **Before you start trading, you should familiarise yourself with all commissions, fees, and other charges for which you will be liable.** For more information, please visit our website <https://www.xbmarkets.com>

One-off costs	Spread	All our platforms	The spread is the difference between the bid and ask prices of the same asset. The bid price is the highest price a buyer is willing to pay for an asset, while the asking price is the lowest price a seller is willing to accept.
	Commission	All our platforms	This commission is charged when you buy and sell a CFD. Typically, a commission is calculated based on the type of asset and the size of the transaction. There are two types of commissions - commission based on notional value represented in a percentage rate and commission based on lots traded represented in a currency amount per each lot traded. The amount of commission can vary between instruments. All commissions are indicated "per side" transactions and appear under closed transactions history. Commissions currency is the same as Base Currency for each instrument.
	Currency conversion	All our platforms	The fee charged for converting realised profit/loss from the instrument currency to the account currency.
Ongoing Costs	Daily holding Cost/ Swap/ Rollover	All our platforms	The financing cost for every day you keep the position open. Depending on the position held (e.g. long or short) and our prevailing interest rates, your account may be credited or debited with the financing cost. On Fridays, Swap is charged 3 times. Swaps can be viewed on the trading platform.

For the purpose of the example, we will assume a transaction of 1 lot (1 stock) in eBay CFD: BID: 42.46, ASK: 43.64. Spread is -1.18 USD. The Base Currency is USD. The Account Currency is USD. Commission type: "Base Currency" per lot traded. Commission: 0.15 Cents per Share.

Spread	Commission
$-1.18 \text{ (ASK-BID price)} * 1 \text{ (Contract size)} * 1 \text{ (conversion rate to USD)}$ $= -1.18 \text{ USD}$  Negative float PNL will be represented after the asset is bought or sold as unrealized floating PNL in the instrument "Base Currency" converted to "Account Currency".	Commission per "Round Trip" <sup>1</sup> = $2 * 0.15 \text{ USD} = 0.30 \text{ USD}$  The amount 0.30 USD will be deducted from the P/L upon closing of the transaction.

In addition to the above, XBMarkets charges Overnight Financing (OF) for deals that remain open at the end of the daily trading session. This OF may be subject to credit or debit, calculated on the basis of the relevant interest rates for the currencies in which the underlying instrument is traded.

If the calculated OF is positive for long (BUY) positions, it means that an applicable amount will be deducted (debited) to the investor's account. If the calculated OF is negative for long (BUY) positions, it means that an applicable amount will be added (credited) to the investor's account. Similarly, if the calculated OF is positive for short (SELL) positions, it means that an applicable amount will be added (credited) to the investor's account. If the calculated OF is negative for short (SELL) positions, it means that an applicable amount will be deducted (debited) to the investor's account. If the CFD's quoted currency differs from the account's currency, it will be converted to the account's currency at the prevailing exchange rates. Swaps can be viewed on the trading platform.

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

CFDs are intended for short-term trading, in some cases intraday, and are generally not suitable for long-term investments. There is no recommended holding period and no cancellation period. You can open and close a CFD on Shares at any time during the market trading hours of each CFD. Opened positions can be maintained as long as there is sufficient margin in your account.

## How can I complain?

If you wish to make a complaint, you can submit it by email to [support@xbmarkets.com](mailto:support@xbmarkets.com). For more details, please see our [Complaints Handling Procedure](#). If you are not satisfied with our final response to your complaint, you may refer your complaint to the Financial Ombudsman Service (**Website:** <http://www.financialombudsman.gov.cy>)

Alternatively, you can submit your complaint to CySEC : <https://www.cysec.gov.cy>.

## Other relevant information

You are encouraged to review the Company's [Legal Documents](#) prior opening a trading account with us.

<sup>1</sup> Round Trip means Open and Close Orders