

Key Information Document

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

Contract for Difference (“CFD”) on a Cryptocurrency

Accurate as of:

July 2025

Manufacturer: CTS Cloud Trading Solutions Ltd (“CTS” or “Company”)

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CTS Cloud Trading Solutions Ltd, is authorised in Cyprus and regulated by the Cyprus Securities Exchange Commission



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

What is this product?

Type

This document provides key information on CFDs where the underlying investment option that you choose is a cryptocurrency such as Bitcoin or Ethereum. Cryptocurrencies are encrypted digital representation of value that function as a medium of exchange, a unit of account, and/or a store of value, they do not have any legal tender status in any jurisdiction, are not issued or backed by a central bank or government and are traded on non-regulated decentralized digital exchanges. The pricing of cryptocurrencies is derived from specific cryptocurrency exchanges and are traded on cryptocurrency exchanges.

A CFD allows you to obtain an indirect exposure to an underlying cryptocurrency. This means you will never own the underlying asset, but you will make gains or incur losses as a result of price movements and the size of your position in the underlying cryptocurrency. CFD trading allows a trader to speculate on rising or falling prices in an underlying cryptocurrency. CTS offers trading opportunities on a wide range of cryptocurrencies that can be found at <https://cloud-trading.eu/>

Objectives

The objective of trading CFDs is to speculate on price movements, mostly over the short term in an underlying asset. Your return depends on movements in the price of the underlying asset and the size of your position. For example, if you believe the price of a cryptocurrency is going to increase, you will buy a CFD with the intention to sell it at a higher price. 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 price of a cryptocurrency is going to decrease, you will sell a CFD (also known as "going short") at a specific price, expecting to buy it back at a lower price, resulting in us paying you the difference minus any relevant costs. However, in either circumstance, if the cryptocurrency moves in the opposite direction and your position is closed, either by you or as a result of a margin call (detailed below), you could lose your entire investment.

To open a position, you are required to deposit into your account a percentage of the total value of the contract. This is referred to as the initial margin requirement (see further below). Trading on margin can magnify any losses or gains you make.

Intended investor

Intended Retail and Professional on Request Investors. This product is not simple and difficult to understand. Trading CFDs on a cryptocurrency is not appropriate for everyone. We would normally expect these products to be utilized by persons to whom some or all of the following criteria apply:

- have knowledge and/or experience to understand the characteristics of CFDs and risks associated with trading on margin;
- intend to use the product for short term investment, speculative trading, portfolio diversification and/or hedging of exposure of an underlying asset exposures to financial instruments/markets;
- have ability to bear 100% loss of all funds invested; and
- have a high-risk tolerance.

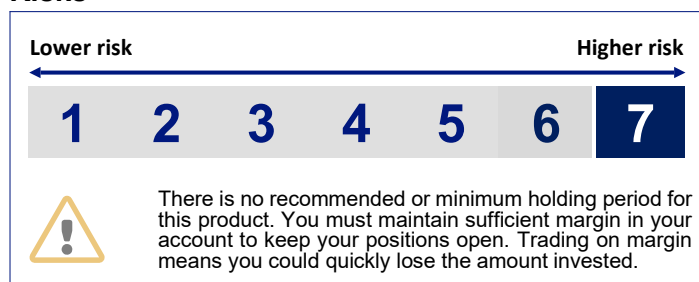
Term

CFDs generally have no maturity date or minimum holding period. You decide when to open and close your position(s). CFDs on cryptocurrencies may have an expiry date. Therefore, any open positions on CFDs on cryptocurrencies will close upon the expiry date set for the instrument at the last available price, if they are not closed earlier.

We may close your position(s) without seeking your prior consent if you do not maintain sufficient margin in your account. If the margin amount in your account falls below 50% of the total initial margin required for all the CFDs in your account, we must close out one or more of your open positions. We will do this in accordance with our margin close out policy which is for open positions to be automatically and systematically closed by the system, from the smallest position first, until the required 50% maintenance margin level is achieved.

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

Risks



The Summary Risk Indicator ("SRI") 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 is because there is a very high chance that you could lose all of your trading account balance. **Trade only after you have acknowledged and accepted the risks. You should carefully consider whether trading in leveraged products is appropriate for you.**

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. CFD trading requires you to maintain a certain level of funds in your account in order to open position(s) and to keep your position(s) open.

Performance scenarios

Scenarios- Nominal amount of \$10,000, Leverage 1:2, Initial guarantee to deposit \$5,000		If you close your trade on the same day	If you close your trade after one day
Minimum	There is no minimum guaranteed return. You could lose the entire initial margin investment due to the retail investor protections provided by regulation.		
Stress Scenario	Profit or loss after costs	\$ -	\$ -
	Return/loss as a percentage over the notional amount	5,000 -50.0%	5,000 -50.0%
Unfavourable Scenario	Profit or loss after costs	\$ -978	\$ 1,182
	Return/loss as a percentage over the notional amount	-9.8%	-11.8%
Moderate Scenario	Profit or loss after costs	\$ -596	\$ 602
	Return/loss as a percentage over the notional amount	-5.9%	-6.0%
Favourable Scenario	Profit or loss after costs	\$ -201	\$ 5
	Return/loss as a percentage over the notional amount	-2.0%	0.1%

***Market developments cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes. Actual returns could be lower.**

The table above shows the money you could potentially profit or lose under different scenarios if you close their position at each time interval indicated. Each of the performance scenarios is based on an account with only one open position; however, each scenario will also be impacted by any other open position(s) you have with us.

If the margin in your account falls below 50% of the initial margin required for all the CFDs in your account, then we must close one or more of your positions. We will do this in accordance with our margin close-out policy. As retail client you are also provided with negative balance protection which means you will not lose more than you the initial margin required for the specific CFD position.

This is a protection determined by regulation and provided to all retail clients where we must prevent you from incurring losses more than the nominal amount you invested. This protection is considered in the performance scenarios shown above. The scenarios also assume you do not make any further deposits on your account to meet margin deficits.

This is called the initial margin and maintenance margin respectively. You will be able to open a position by depositing only a small percentage of the notional value of the position, creating a leveraged position. Leverage can significantly magnify your gains and losses.

CFDs are not listed on any exchange and are traded over the counter. 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 provider. If you have multiple positions with us, your risk may be cumulative and not limited to one position.

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. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section 'What happens if CTS is unable to pay out'). The indicator shown above does not consider this protection. 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.

Be aware of currency risk. You may receive payments in a different currency; therefore, the final return you will get depends on the exchange rate between the two currencies. Depending on the currency your trading account is denominated and the currency of the underlying instrument you trade, your final return maybe exposed to the exchange rate risk between the two currencies. This risk is not considered in the indicator shown above.

For the purposes of the above scenarios, it means that you buy CFDs on cryptocurrency worth of \$10,000. This means 1 contract x 1 contract size x \$10,000 per contract equals \$10,000 which is the notional value of the trade. With leveraged trading of 1:2 or 50% however you do not need to invest the full \$10,000 but you will only have to deposit \$5,000. The above assumptions are tabulated below:

Crypto opening price (vs \$)	OP	10,000
Contract size	CS	1
Trade size	TS	1
Margin Rate (%)	M	50% or 1:2
Notional traded (\$)	NT=OP*CS*TS	10,000
Margin Requirement (\$)	MR=NT*M	5,000

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. **Your maximum loss would be that you will lose all your investment.** The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if CTS is unable to pay out?

You are exposed to the risk that the manufacturer might be unable to meet its obligations in connection with the product for instance in the event of bankruptcy or insolvency. This may materially adversely affect the value of the product and could lead you to incur a significant loss. Notwithstanding, we segregate your funds in line with the CySEC's Segregation of Funds Regulations. In addition, you may be eligible for Compensation under the Investors' Compensation Fund (ICF), which covers either the 90% of your cumulative covered claims or the amount of EUR 20,000, whichever is lower. For further information see: <https://www.cysec.gov.cy/en-GB/complaints/tae/directive/>

What are the costs?

Costs over time

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off and ongoing costs.

The amounts shown here are the cumulative costs of the product itself, for the two different holding periods as per the moderate performance scenario. The figures assume you invest a notional of \$10,000. The figures are estimates and may change in the future.

Nominal amount of \$10,000 Leverage 1:2, Initial guarantee to deposit \$5,000	If you close your trade on the same day	If you close your trade after one day
Total Costs	\$ 600	\$ 602
Costs in relation to the notional	-6.0%	-6.0%

Composition of costs

Before you trade CFDs on a cryptocurrency, you should familiarize yourself with all the below costs for which you will be liable, and which are capable of reducing your net profits or increase your losses. The below table portrays an illustration of types of costs along with their meaning based on the moderate scenario for closing your trade after one day as presented above:

One-off costs	Trading Commission	\$100	Depending on the underlying we will charge a commission for each opening and closing trade on your Account. We normally charge commission on Crypto CFDs. The commission rates that we charge are subject to change.
	Spread	\$500	The difference between the buy price and the sell price is called the spread. This cost is realized each time you open a trade and varies based on the trading activity of each underlying asset.
	Currency Conversion	-	Any cash realized profit and losses, adjustments, fees and charges that are denominated in a currency other than the base currency of your account, will be converted to the base currency of your account.
On-going costs	Daily holding Cost/Swap/Rollover	\$2	Financing charges are applied to positions held overnight; these charges will be deducted from or added to your account, depending on if you are long or short in the position respectively.

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

Your open position will close in the event you do not have available margin or when you choose to exit the product by closing the position. However, 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 all withdrawal requests within 24 hours irrespective of payment method.

How can I complain?

If the Company has established and maintains a Complaints Handling Procedure. If you wish to submit a complaint you can submit by email to compliance@cloud-trading.eu. If you do not feel your complaint has been resolved satisfactorily, you are able to additionally refer your complaint to the Financial Ombudsman Service, further information can be found at <http://www.financialombudsman.gov.cy/>

Other relevant information

This Key Information Document has been produced in accordance with the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulatory Standards issued by the EU Commission. The information contained in this information document should be read in conjunction with other legal documentation will in particular the contractual information available at <https://cloud-trading.eu/legal-terms>