

KEY INFORMATION DOCUMENT

Crypto FX

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 Saxo Bank A/S. Saxo Bank A/S is under the supervision of the Danish Financial Services Authority. ELANA Trading AD distributes this product. Contact us on +359 2 81 000 95 or e-mail globaltrader@elana.net for more information. ELANA Trading AD is under the supervision of Bulgarian Financial Supervision Commission. 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. **01 July 2022.**

ALERT

You are about to purchase a product that is not simple and may be difficult to understand. There are multiple risks associated with Crypto FX trading and the product is categorised with the highest risk level.

WHAT IS THIS PRODUCT?

TYPE

Crypto FX is a contract where the profit is to be secured or loss avoided by reference to fluctuations in an underlying cryptocurrency, such as bitcoin (BTC) against the U.S. Dollar (USD), referred to as BTCUSD, for immediate delivery. Visit ELANA's website for further information in relation to the underlying currency pairs available <https://globaltrader.elana.net/en/en-tc/trading-conditions-crypto/>

OBJECTIVES

The objective of trading Crypto FX is to gain exposure to fluctuations related to the underlying cryptocurrency without owning it. Your return depends on the size of the performance (or movement) of the underlying cryptocurrency and the size of your position. This product is 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.

For each cryptocurrency, two different margin rates apply:

- 1) Initial Margin is the required collateral to open a new position. The Initial Margin requirement is dependent on the cryptocurrency traded.
- 2) Maintenance Margin is the amount required to maintain an open position.

For example, the Initial Margin requirement for BTCUSD is 50% and the Maintenance Margin requirement is 40%. If BTCUSD is trading at USD 50,000 and you trade an amount of 0.24 BTC, a margin of USD 6,000 ($50,000 \times 0.24 \times 50\%$) is required to open a Long/Short position. To hold the position, a maintenance margin of USD 4,800 ($50,000 \times 0.24 \times 40\%$) is required.

Maintenance Margin is used to calculate the margin utilisation. If your losses exceed 100% margin utilisation, then automatic margin close-out will occur, meaning that orders to close positions will be placed and existing orders will be cancelled.

INTENDED RETAIL INVESTOR

Trading in this product will not be appropriate for everyone. This product would commonly be used by the following persons:

- who want to gain short term exposures to financial instruments/markets;
- who are using (trading with) money which they can afford to lose;
- who have a diversified investment and savings portfolio;
- who have a high risk tolerance; and understand the impact of and risks associated with margin trading.

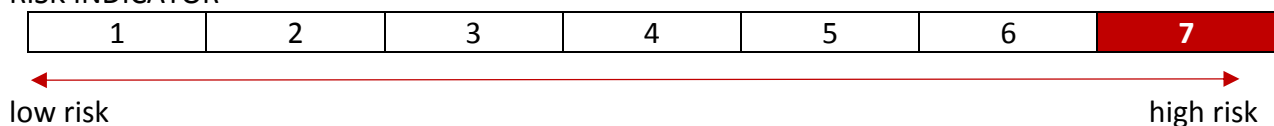
TERM

Crypto FX is an execution-only product and therefore does not have a recommended holding period (RHP). Crypto FX trades do not settle. Instead, open positions held at the end of a trading day are rolled forward to the next available business day. 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.

Visit ELANA's website for further information about this product <https://globaltrader.elana.net/en/en-tc/trading-conditions-crypto/>.

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 product will lose money because of movements in the markets or because we are not able to pay you. 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 depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. In some circumstances you may be required to make further payments to pay for losses. Trading risks are magnified by leverage – the total loss you may incur may significantly exceed the 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. In the event of default, ELANA shall seek to immediately terminate, cancel and close-out all or part of any outstanding positions, and any shortfall will be borne by you. 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 a number of types of trading risk, including leverage risk, which you should be aware of before beginning to trade. Some but not all of the risks are listed 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.

EXAMPLE:

This table shows the money you could get back over the next 30 days, under different scenarios, assuming a notional amount of EUR 10 000. 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. Your return depends on how the market performs and how long you hold the contract. The stress scenario shows the potential return in extreme market circumstances, and it does not include the situation where ELANA Trading is unable to pay you (in case of bankruptcy/defaults on payments). The figures shown include all the costs of the product itself. The figures do not take your personal tax situation into account, which may also affect how much your profit or loss will be.

Trade assumptions		
Description	Symbol/Equation	Value
Instrument	I	BTCUSD
Opening Price (USD)	P	50 000
Trade Size (BTC)	TS	0.24
Nominal Value (EUR)	$NV = P \times TS$	10 000
Initial Margin (%)	IM	50%
Maintenance Margin (%)	MM	40%
Initial Margin (EUR)	$IMR = NV \times IM$	5 000
Maintenance Margin (EUR)	$MMR = NV \times MM$	4 000
Spread	S	120
FX Value Date Rollover (Long)	TNL	35
FX Value Date Rollover (Short)	TNS	-10
FX Conversion Rate	EURUSD	1.20
Holding time (days)	HT	30

Performance scenario (long)					Performance scenario (short)				
Long Positions	Closing Price	Price Change	Total Cost (EUR)	Total Profit/Loss (EUR)	Short Positions	Closing Price	Price Change	Total Cost (EUR)	Total Profit/Loss (EUR)
Favourable	68 206	36.41%	199	3 442	Favourable	39 353	-21.29%	74	2 055
Moderate	52 292	4.58%	199	259	Moderate	52 033	4.07%	74	-481
Unfavourable	39 768	-20.46%	199	-2 245	Unfavourable	68 021	36.04%	74	-3 678
Stress	10 775	-78.45%	199	-8 044	Stress	148 567	197.13%	74	-19 787

WHAT HAPPENS IF ELANA TRADING IS UNABLE TO PAY OUT?

ELANA Trading AD is a member of Investor Compensation Fund in Bulgaria (<http://sfund-bg.com/en>) In the unlikely event that ELANA Trading AD is declared bankrupt, The Fund pays out compensation to every client up to 90% of the amount of the receivable, but not more than 20 000 EUR.

WHAT ARE THE COSTS?

Before you begin to trade Crypto FX you should familiarise yourself with all commissions, fees, and other charges for which you will be liable. These charges will reduce any net profit or increase your losses. For more information please visit our website <https://globaltrader.elana.net/en/en-tc/trading-conditions-crypto/>.

BREAKDOWN OF POSSIBLE COSTS ASSOCIATED WITH ROLLING FX SPOT		
One-off costs	Spread	The difference between the bid (sell) price and the offer (buy) price. Spread is dependent on many different factors, including but not limited to, the underlying liquidity and volatility, time of day and notional trade size.
	Commission	The fee charged for the service of carrying out the transaction, subject to a minimum fee on small notional trade sizes.
	Profit/Loss Currency Conversion	The fee charged for converting realised profit/loss from the instrument currency to the account currency.
Ongoing costs	Tom/Next swap points (Forward Price)	The swap points used are calculated using the tom/next swap feeds from Tier-1 banks, plus/minus a mark-up of +/- 0.55%.
	Financing of unrealised profit/loss (Financing Interest)	Any unrealised profit/loss that is rolled from one day to the next is subject to an interest credit or debit.

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

Crypto FX has no recommended holding period. Provided that ELANA is open for trading you can enter and exit positions at any time.

HOW CAN I COMPLAIN?

If you as a client or a prospective client of ELANA Trading AD have raised a question or an issue with ELANA Trading AD you may file a complaint with ELANA Trading AD as per below.

- by e-mail to globaltrader@elana.net

- by coming to ELANA's headquarter at address Bulgaria, Sofia 1756, Sopharma Business Towers, str. Lachezar Stanchev 5.
- by sending a letter to Bulgaria, Sofia 1756, Sopharma Business Towers, str. Lachezar Stanchev 5.

If you are not satisfied with the response to your complaint, you may file a complaint directly with Bulgarian Financial Supervision Commission (<http://www.fsc.bg/en/>) by sending an e-mail to delovodstvo@fsc.bg

OTHER RELEVANT INFORMATION

This is a key information document for ASSET class financial instruments which is not comprehensive on the subject, but aims to provide basic information. Further information on the product is available on our website: <https://globaltrader.elana.net/en/en-tc/trading-conditions-crypto/>