
PURPOSE

This document provides the client with key information about the CFDs on **Futures**, as a financial instrument. It is not marketing material. The information is required by law to help clients understand the nature, risks, costs, potential gains, and losses of this product and to help clients compare it with other products.

PRODUCT

Name: Windsor Brokers Ltd. ("Windsor Brokers", "Company")

Website: www.windsorbrokers.eu

Telephone number for additional information: +357 25 500505

Supervisory Authority: Cyprus Security & Exchange Commission ("CySEC") with license number 030/04

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

WHAT IS THIS PRODUCT:

TYPE

A contract for difference ("CFD") is a leveraged contract which allows client(s) to speculate on the price difference of the underlying asset/financial instrument. Clients have the ability to buy (or go "Long") the CFD to benefit from rising prices in the underlying asset/financial instrument; or to sell (or go "short") the CFD to benefit from falling prices. The price of the CFD is derived from the price of the underlying market price of the asset/financial instrument, which may be either the current ("spot") price or a forward ("future") price. For instance, if clients carries "long" position and the price of the underlying asset/financial instrument rises, the value of the CFD will increase, and, as such, clients could close the position with the beneficial outcome, the difference between the "closing" and "opening" price of the CFD is positive. Conversely, if clients carries "long" position and the price of the underlying asset/financial instrument falls, the value of the CFD will decrease and, as such, clients could close the position with the negative outcome, the difference between the "closing" and "opening" price of the CFD is negative. The leverage embedded within CFDs has the effect of magnifying both profits and losses.

OBJECTIVE


The objective of trading with the CFD is to allow clients to transact with leveraged exposure of the movement in the value of the underlying asset/financial instrument (either up or down), without "buying" or "selling" the underlying asset/financial instrument. The exposure is leveraged since the CFD only requires a proportion of the notional value of the contract to be used as an initial margin, which is one of the key features of trading CFD's. The CFDs based on "cash" prices do not have a pre-defined maturity date and is therefore open-ended; by contrast, a CFDs based on "future" prices have a pre-defined expiry date however the open positions are "rolled over" to the next tradable contract month. As a result, there is no pre-defined holding period for either type of CFDs, and it is at the discretion of clients to determine the holding period, based on their own strategy and objectives. In cases where the price movement of the CFD is in the opposite direction from the expected and the equity of clients' accounts' reduces, i.e. loss exceeds the initial margin requirements, failure to deposit additional funds, in order to meet the margin requirement, may result for clients' accounts to be stopped out. In cases where the CFD is based on the "future" price of the undersigned asset/financial instruments, subjected to "roll over", in the event where clients fail to maintain sufficient funds for the margin requirement, the CFD will be automatically closed at the expiry date. The Company retains the ability to unilaterally terminate any CFD contract when/where it deems that the terms of the agreement, between the Company and client, have been breached.

**INTENDED
RETAIL
CLIENT**

CFDs are intended for clients who have knowledge of or are experienced with trading with leveraged financial instruments. Clients need to understand how the prices of CFDs are derived, the key concepts of margin, leveraged trading, costs, and the fact that losses may exceed the initial amount invested, the risk/reward profile of the financial instruments compared to traditional trading, without leverage and have the ability to bear losses in excess of the initial amount invested.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?



 The risk indicator assumes that you may not be able to buy or sell your CFD at the price you wanted to due to volatility of the market or you may have to buy or sell your CFD at a price that significantly impacts how much you get back.

The risk indicator above refers to the level assigned to trading with CFDs, compared to trading with financial instruments which are not leveraged. CFDs are classified as the financial instruments with the highest risks, 7 out of 7. This indicates the potential losses at a very high level. It is possible to buy or sell CFDs in a currency different from the base currency of clients' accounts. The outcome of the transaction may depend on the exchange rate between the currencies.

PERFORMANCE SCENARIOS

Client is choosing on his/her own initiative the type of the CFD financial instruments, direction (to "buy" "sell", when to trade, i.e. "open" and "close" open positions, the size of positions, whether to use any risk mitigation features (such as stop loss orders, reducing leverage etc.). Each open position is impacted by any other open position that is held open, exchange rate, number of lots, market conditions etc., which may have a material impact on the risk and return of relevant transactions.

The example below shows a scenario based upon the purchase of 1 lot on Gold CFD (1 Lot = 100oz)

GOLD CFD CFD (held intraday)		
GOLD CFD opening price:	(P)	1212.45
Trade size (per CFD):	(TS)	1 LOT (100oz)
Margin %:	(M)	5%
Leverage:	(L)	1:20
Margin Requirement (\$):	$MR = P \times TS \times M$	\$6,062.25
Notional value of the trade (\$):	$TN = MR \times L$	\$121,245

BUY/LONG Performance Scenario	Closing Price (inc. spread)	Price change	Profit/Loss	SELL/SHORT Performance Scenario	Closing price (inc. spread)	Price change	Profit/Loss
Favourable	[1248.82]	3%	+3637\$	Favourable	[1176.08]	-3%	+3637\$
Moderate	[1230.63]	1.5%	+1818\$	Moderate	[1194.26]	-1.5%	+1818\$
Unfavourable	[1176.08]	-3%	-3637\$*	Unfavourable	[1248.82]	3%	-3637\$*
Stress	[1139.70]	-6%	-7275\$*	Stress	[1285.20]	6%	-7275\$*

The scenarios above illustrate how the example transaction could perform, depending on the market move for the relevant financial instrument. The figures above display the costs related to the transaction, as per the market condition of the asset/financial instrument, however, do not include the costs related to commissions, swaps and/or roll overs, agents, or tax. Open CFD transactions may be hedged and/or closed in cases where minimum margin requirement is not maintained. The client may lose entire investments.

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 loss is restricted to your account balance as the Company offers Negative Balance Protection.**

The figures shown include all the costs of the product itself. If the client has been sold this product by someone else or have a third party advising the client about this product, these figures do not include any cost that you pay to them. The figures do not take into account the client's personal tax situation, which may also affect how much he/she gets back.

"French residents only: In accordance with the Autorité des marchés financiers (AMF) requirements, all CFD have intrinsic protection and will be closed when losses reach the required margin for opening the position."

WHAT HAPPENS IF THE COMPANY IS UNABLE TO PAY OUT?

In the unlikely event that the Company becomes insolvent, clients are entitled to claim funds, held by the Company, through the Investor Compensation Fund. Taking into consideration that the legislation covers CFDs, clients are entitled to claim amounts up to €20,000. Further information about the Investor Compensation Fund can be found on the CySEC website under “Investor Compensation Fund (I.C.F)” / www.cysec.gov.cy

WHAT ARE THE COSTS?

The table below shows the different costs that may incur when **CFD Futures**

“One off” cost on “entry” and “exit” positions	Spread	This is the difference between the “buy” and “sell” price offered for trading.
“One off” cost on “entry”	Commission	This is a commission charged when you buy or sell a CFD on Future based on lot size of your trade. More information can be found inside company’s client’s portal.
“One off” costs on “entry” and “exit”	Currency conversion	Realised and un-realised profits/losses are automatically converted/denominated into the basic currency of account(s).
“Ongoing” Costs of open positions	Roll overs/Swap Rates or Storage	Positions held open overnight are subjected to the Swap Rates, amounts charged/ paid, based upon the interest differentials for borrowing or lending one currency against another. However, account(s) not subjected to the Swaps charges are subjected to “Storage” charge, a fixed, negative amount, always charged to clients’ accounts.

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

CFDs are intended for short-term trading, in some cases intraday trading, and are generally not suitable for long-term investments. There is no recommended holding period and no cancellation period. Clients can open and close a CFD on an FX pair at any time during the market trading hours of each CFD.

HOW CAN A CLIENT INQUIRE AND/OR COMPLAIN?

To make an inquiry, clients should contact our Customer Support team via email at support@windsorbrokers.eu. In cases where the response received is not satisfactory, the complaint should be submitted to complaints@windsorbrokers.eu or the form to be forwarded via post provided that the letter is officially registered via post and specifying at all times ‘Windsor Brokers Center, Compliance Department’ at [53 Spyrou Kyprianou, Mesa Yitonia, 4003 Limassol, Cyprus](https://www.windsorbrokers.eu). If the client does not feel that his/her complaint has been resolved satisfactorily, the client may refer his/her complaint to the Financial Ombudsman of the Republic of Cyprus. Please refer to the Company’s [Complaints Procedure](#) for further information.

OTHER RELEVANT INFORMATION?

This KID provides a summary of the information related to trading with CFDs. It is designed to inform clients, in addition to the information provided within “Trading Conditions” and “Product Outlines”, before making the decision for trading. This KID should not be considered as an advice. Before opening an account and transacting, the client is required to read all documentation forming part of the contact between the parties, including [Client Account Agreement](#), Online Access Agreement, Mobile Trading Agreement, [Risk Disclosure Statement](#), [Trading Conditions](#) and [Product Outlines](#).