NAGA
EVERYTHING MONEY

KEY INFORMATION DOCUMENT - Contracts for Difference (CFDs) on 1:1 Crypto ("CryptoX")

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

Contracts for Difference (CFDs) on 1:1 Crypto ("CryptoX") – The provider is Naga Markets Europe Limited ("NAGA") (www.naga.com/eu), a company registered in the Republic of Cyprus and regulated by the Cyprus Securities and Exchange Commission ("CySEC") with Licence No. 204/13. The Company is located at Agias Zonis 11, 3027, Limassol, Cyprus. For more information, please contact us by phone +357 25041410 or by email at support@naga.com. This Key Information Document was created on 31st May 2019 and last update was done 28/03/2025.

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

What is this Product?

Type

This is a 'Contract for Difference' ("CFD"). It allows you an indirect exposure to an underlying asset. You will have no direct interest in the underlying asset. Accordingly, you can make gains or suffer losses as a result of price or value movements in relation to the underlying asset to which you have indirect exposure. The underlying asset, i.e. the Crypto, is never actually owned by investors and the profit-loss is determined by the difference between the value of the CFD on 1:1 CryptoX at the opening and closing the contract, minus any relevant costs.

You may choose to Buy (go "long" on) CFD on CryptoX units or to Sell (go "short" on) CFD on CryptoX units depending on whether you think the price of the underlying instrument will go up or down:
- For every point the price of the instrument moves in your favor, you gain multiples of the number of the CFD units on CryptoX you have bought or sold.
- For every point the price moves against you, you will make a loss at multiples of the number of the CFD units on CryproX you have bought or sold. Therefore, your return depends on the size and direction of the performance (or movement) of the underlying instrument and the size of your position.

This product is commonly traded on margin, which means that the retail investor must deposit an initial margin (which corresponds to the initial investment that is a percentage of the underlying value or notional value). In the case of CFDs on CryptoX you will be required to deposit 100% of the notional value of your investment. Depending on the market movements and whether the value of the investment goes up or down, this margin changes day by day (upward or downward) depending on the performance - positive or negative - of the underlying cryptocurrency.

Negative changes in the trading account could lead to total or partial erosion of the initial margin; in that case, an additional deposit may be required, and losses may be higher than the initial sum invested. You should be aware that if the total margin in your account falls below 50% of the amount of initial margin required in respect of all open CFDs on CryptoX, your positions will start liquidating, starting from the position with the highest loss.

Objectives

The objective of trading a CFD on CryptoX is to gain exposure to movements related to the underlying cryptocurrency, without owning it.

Maximum leverage for 1:1 CryptoX is 1:1, what means that every $1 is multiplied 0 times. Therefore, if the investor is willing to open position by using $100 of his own money on trading account, with leverage 1:1, the full position size will be $100. Any potential profits or losses will be calculated on the full size position. This product allows investors to speculate and make profit or a loss on the rising or falling prices of 1:1 CryptoX. The investor may be required to increase the margin due to market changes and his position may be closed early if the margin call is not fulfilled. Investor will open BUY position if he believes that the price of the product will go up or SELL position if he believes that the price will go down. For more information about specific trading hours for instruments traded under CryptoX please refer to the website here.

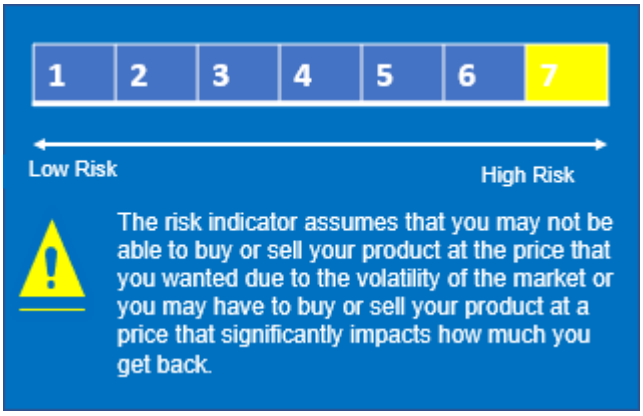
Intended retail investor

The provision of this product is subject to NAGA's own product governance policy and is available to clients who meet specific characteristics, with sufficient knowledge and experience in trading CFDs and the risk associated. This product would most commonly be used by persons who want to generally gain short term exposures to financial instruments/markets; are trading with funds they can afford to lose; have a diversified investment and savings portfolio; have a high-risk tolerance; and understand the risks involved.

Term

CFDs on 1:1 CryptoX do not have a fixed maturity/expiry date; hence there is no recommended holding period. You shall have sufficient funds to maintain the margin requirement to hold a position, otherwise the position will be auto closed. However, in case the account falls into the negative balance, retail clients have negative balance protection on their trading account.

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



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, as poor market conditions may impact our capacity to pay you. This risk is not considered in the indicator shown above.

We provide Negative Balance Protection to our clients, meaning that they will never be able to lose more funds than the amounts invested with us. Please note that there is no capital protection against market risk, credit risk or liquidity risk.

Be aware of the 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.

This product does not include any protection from any future market performance so you could lose some or all your investment. However, you may benefit from the Investor Compensation funds (see the section 'what happens if we are unable to pay you'). The indictor shown above does not consider this protection.

You should carefully consider whether trading in leveraged products is appropriate for you.

Performance Scenarios

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 scenarios shown below 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. What you get will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. CFDs are leveraged products, a trade could result to losses greater than the invested amount in an initial position but not the invested amount in general, considering the negative balance protection.

The following assumptions have been used to create the scenarios in Table 1:

3 CFDs on BTCUSD	
BTCUSD Price (P)	82,834.00
Leverage (L)	1:2
Margin % (M)	50.00%
Notional Value (TN=MR x L)	248,502 USD
Investment Size (margin Requirement)(MR=TS x P x M)	124,251 USD
Swap Charge for holding 1 day Long/Short(USD)	Long : -210% Short : -210% (Yearly)

Table 1:

Long Trade (position held intraday)				Short Trade (position held intraday)			
Scenario	Closing Price (inc. Spread)	Price Change %	Profit/Loss USD	Scenario	Closing Price (inc. Spread)	Price Change %	Profit/Loss USD
Stress	33,133.60	-60.00%	-149,101.20	Stress	132,534.40	60.00%	-149,101.20
Unfavourable	74,550.60	-10.00%	-24,850.20	Unfavourable	91,117.40	10.00%	-24,850.20
Moderate	83,662.34	1.00%	2,485.02	Moderate	82,005.66	-1.00%	2,485.02
Favourable	91,117.40	10.00%	24,850.20	Favourable	74,550.60	-10.00%	24,850.20

The figures shown include all the costs of the product itself but may not include all the costs that you pay when you sell the product or to third party advising you about this product. The figures do not take into account your personal and local tax rate scheme, which may also affect how much you get back.

What happens if Naga Markets Europe Ltd is unable to pay you?

In the event of default due to insolvency, you may lose the value of your investment. If the Company is not able to fulfill its financial obligations to you, you may be eligible for compensation from the Investor Compensation fund (ICF), which provides compensation for retail investors for eligible investment up to the amount of 20,000 EUR or 90% of the cumulative covered claims of the covered investor, whichever is lowest. Full details are available on CySEC's website.

What are the costs?

Please take your time to familiarize yourself in the list below with all one-off, ongoing, and incidental costs for which you are liable before you begin to trade CFDs.

One off costs	Spread	Spread is the difference between the prices with which you can buy and sell. For specific Forex spread cost, please use our trading calculator here.
	Commission	The commission you pay when you buy and sell an instrument.
	Currency Conversion	It is the cost of converting realised profit and losses, adjustments, fees and charges that are dominated in a currency other than the base currency of your trading account
Ongoing costs	Swap/rollover/Financing costs	It is a fee or swap cost for keeping your position overnight. Open positions are rolled over daily till you decide to close the positions. For specific Forex spread cost, please use our trading calculator here.
Incidental costs	Transaction fees	fees or charges imposed depending on the specific payment methods used.

How long should I hold it and can I take money out early? Recommended holding period: N/A

This product does not have a minimum recommended holding period. Provided that we are open for trading you can enter and exit positions at any time, for as long as we keep this product available.

How can I complain?

If you wish to make a complaint at any time, you can send an email to complaints@naga.com or submit the online form via the following link here. Please refer to our Complaints Handling Policy available on our website. If you are not satisfied with our final response to your complaint, you may contact the Financial Ombudsman Service (see http://www.financialombudsman.gov.cy).

Other relevant information

Please read our Terms and Policies, such as Client Agreement, Order Execution policy, Risk Disclosure notice, Client categorization policy, available here which contain important information regarding your investment account which should be read in conjunction with this document.