

## Key Information Document – Contracts for Difference: Exchange-Traded Funds (ETFs)

### Purpose:

This document provides key information about this investment product. It is not promotional material. The provision of this information is required by law to help you understand the nature, risks, costs, potential returns and losses associated with this product and to compare it with other products.

### Product

**Product name:** Contracts for Difference (CFDs) – Exchange-Traded Funds (ETFs)

**Identity of the provider of the product with an investment component and its contact details:** CAPITAL MARKETS, o.c.p., a.s. (hereinafter the “Company”), with its registered office at Slávičie údolie 106, Bratislava - Staré Mesto, 811 02 Bratislava, registered in the Commercial Register of the Municipal Court Bratislava III, Section: Sa, File No.: 4295/B, Company ID No.: 36 853 054, VAT No.: 2022505419.

**Information on the competent authority:** Národná banka Slovenska, Imricha Karvaša 1, 813 25 Bratislava, Slovak Republic

**Website:** [www.etfobchodnik.com](http://www.etfobchodnik.com)

**Date of last revision of this document:** 01/06/2026

**Warning:** The product you are considering purchasing is complex and may be difficult to understand.

### What is this product?

#### Type

CFD ETFs are leveraged contracts that allow you to gain indirect exposure to an underlying asset, such as an exchange-traded fund. This means that you will not own the underlying asset, but will make profits or losses based on the price movements of the underlying asset. You can buy (‘Long’) CFD ETFs to benefit from rising prices in the underlying market, or sell (‘Short’) CFD ETFs to benefit from falling prices. The price of a CFD ETF is derived from the market price of the underlying asset. This product also includes dividends based on the performance of the underlying asset, which may be credited or debited.

#### Example

If an investor opens a long position and the price of the underlying asset rises, the value of the ETF CFD will increase – upon closing the position, the Company will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor opens a short position and the price of the underlying asset rises, the value of the CFD ETF will increase – upon closing the position, the investor will pay the Company the difference between the final value of the contract and the initial value of the contract. The leverage effect with CFD ETFs results in both profits and losses being magnified. Dividends may be credited or debited depending on whether the investor has speculated on an increase (Long) or a decrease (Short).

### Objectives

The aim of CFD ETFs is to enable the investor to utilise leverage against movements in the value of the underlying asset without having to purchase the actual exchange-traded fund. The exposure is leveraged because CFD ETFs require only a small percentage of the contract value to be deposited in advance as an initial margin.

ETF	Direction	Leverage	Position size in shares	Initial margin	Initial price	Final price	Change in %	Total commission	Paid swap*	Net profit (USD)
VIXY	BUY	1:5*	100	156.00	7.8	9.12	16.92%	40	0.25	91.75
VIXY	SELL	1:5*	100	156.00	7.8	10.15	30.13%	40	0.28	-275.28
UVXY	BUY	1:5*	100	89.00	4.45	5.75	29.21%	40	0.16	89.84
UVXY	SELL	1:5*	100	89.00	4.45	7.56	69.89%	40	0.21	-351.21

\* Example above: The position was held for one (1) night.

The tax laws of the retail investor’s home Member State may affect the amount actually paid out.

If the free margin falls as a result of a price movement in the opposite direction to the investor's open positions, the investor must either top up the account to maintain the margin level above the stop-out level (automatic system closure of the position), which is set at 50% of the free margin, or close the open positions to avoid the automatic closure of open positions. A Margin Call notification will be issued via a durable medium when the margin level falls below 100%. If the underlying asset is delisted from the exchange, the open position in that share will be automatically closed at the last available trading price. Before trading, you should familiarise yourself with all costs and fees associated with trading. These fees will reduce any net profit or increase your losses.

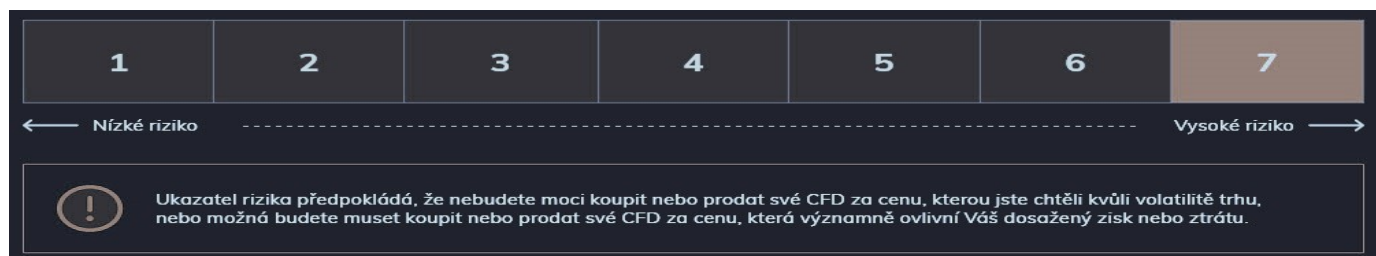
The Company reserves the right to unilaterally close any position if it believes that the terms and conditions have been breached

### Target investor

This product is available to investors who have knowledge of financial markets and are expected to have prior experience of leveraged trading. Investors are expected to understand how ETF CFD prices are derived, key margin concepts and how leverage works. Furthermore, they must understand that leveraged trading can result in the loss of all invested capital and must be able to bear such losses. A retail investor is an investor with a lower risk tolerance who prefers a medium-term investment horizon. This instrument is suited to a short- to medium-term investment horizon.

### What risks am I taking and what return might I achieve?

Summary risk indicator



The risk indicator can show you the risk associated with these products compared to other products. It is a measure of how the product's performance may lead to a financial loss for the investor. The risk indicator has been set to the highest level. The figure indicates potential losses from the product's future performance. CFD ETFs are leveraged and high-risk products that may result in losses. Losses cannot exceed the amount invested (negative balance protection), but you may lose your entire invested capital. There is no capital protection against market risk, credit risk and/or liquidity risk.

### Currency risks

CFD ETFs can be bought or sold in a currency other than your account currency. The final payout you may receive depends on the exchange rate between the two currencies.

### Performance scenarios

The scenarios below illustrate how an investment might perform and allow you to compare individual products and their scenarios to determine which product is more suitable for you. The scenarios shown are estimates of possible future performance based on past performance and are not an exact indicator. The assumptions used to develop the performance scenarios reflect past market fluctuations in relation to the length of the investment horizon. Please note that the tax laws of the retail investor's home Member State may affect the actual amount received.

The result will depend on market performance and how long you hold the specific CFD. The stress scenario indicates a possible outcome under extreme market conditions. **Future market developments cannot be accurately predicted. The scenarios above merely illustrate some possible outcomes based on recent results.**

### Scenario

VIXY	
Initial price: P	180
Trade size (per CFD): TS	5
Margin %: M	20%
Contract size: K	1
Margin requirement (USD): $MR = P \times TS \times M \times K$	180
Notional value of trade (USD): $TN = MR/M$	900

Currency	USD
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The prices in Table 1 are in USD

**Table 1**

BUY Performance Scenario	Final price (including spread)	Price change	Profit/loss Gross*	SELL Performance Scenario	Final price (including spread)	Price change	Profit/loss Gross*
One-off entry or exit costs	Spread 182.70	1.5%	\$13.50	Favourable	177.30	1.50%	\$13.50
Ongoing costs	Minimum commission 181.35	0.75%	\$6.75	Moderate	178.65	0.75%	\$6.75
	Swap 177.30	-1.5%	-\$13.50	Unfavourable	182.70	-1.50%	-\$13.50
				Stress	189	5%	-\$45
	<u>171</u>	<u>-5%</u>	<u>-45</u>				

**What happens if CAPITAL MARKETS, o.c.p., a.s. is unable to make a payment?**

The Company keeps all its clients' funds separate from its own funds in various bank accounts in accordance with Section 71h of Act No. 566/2001 Coll., the Securities Act. In addition, the Company contributes to the Investment Guarantee Fund (IGF). The purpose of the GFI is to secure the claims of covered clients by paying compensation in cases provided for under the Securities Act. The total amount of compensation paid to each covered client of the Company is a maximum of EUR 50,000 (USD 52,380.70). The system of the aforementioned guarantees and compensation applies to the provision of compensation for unavailable client assets up to a maximum of EUR 50,000 (USD 52,380.70). Unavailable client assets are client assets received by the Company in the event that the Company is declared unable to meet its obligations to clients or the disposal of client assets is suspended as a result of a decision by the bankruptcy court. Securities and other financial instruments received by the Company which the Company is able to return to the client without prejudice to the claims of other clients are not considered to be unavailable client assets. Further information can be found on the website [www.garancnyfond.sk/](http://www.garancnyfond.sk/)

**What are the costs involved in this investment? \***

\*For more information, please visit [www.etfobchodnik.com](http://www.etfobchodnik.com)

Account currency	USD
Product	GLD
Direction	BUY
Position size	1 Lot
Opening date	15 July 2024
Opening price	245.55
Closing date	18 July 2024
Closing price	370.29

Swap value	-1.13
Swap type	Nominal
Swap currency	USD
Spread	-0.01
Spread currency	USD
Commission	-40
Commission currency	USD
Total costs in account currency	-41.14
Profit in accounting currency	124.74
Cost of profit %	32.98

**How long should I hold the product and can I withdraw it early?**

CFD ETFs do not have a recommended holding period. Provided the markets are open for trading, investors can buy and/or sell CFD ETFs at any time. Please refer to the trading hours for financial instruments at [www.etfobchodnik.com](http://www.etfobchodnik.com)

**How can I make a complaint?**

If, as a client or potential client of CAPITAL MARKETS, o.c.p., a.s., you wish to make a complaint, you may do so by emailing the company at [atinfo@capitalmarkets.sk](mailto:atinfo@capitalmarkets.sk) or by post to CAPITAL MARKETS, o.c.p., a.s., Slávičie údolie 106, Bratislava - Staré mesto, 811 02 Bratislava.

If the entity selling you a service provided by CAPITAL MARKETS, o.c.p., a.s. or providing financial intermediation or investment advice is not the Company itself, please contact that entity directly in accordance with the current complaints procedure, which is available on the Company's website at [www.capitalmarkets.sk/o-nas/licencie-a-regulacie/](http://www.capitalmarkets.sk/o-nas/licencie-a-regulacie/) or [www.etfobchodnik.com](http://www.etfobchodnik.com)

If you are not satisfied with the response to your complaint, you can lodge a complaint directly with the regulator or the National Bank of Slovakia . Contact details and further information can be found at [www.nbs.sk/sk/o-narodnej-banke/kontakty](http://www.nbs.sk/sk/o-narodnej-banke/kontakty) .

#### **Other relevant information**

All relevant documents containing detailed information about the product, including information on its features and fees, such as the General Terms and Conditions, Pre-sale Information, etc., can be found at <https://www.capitalmarkets.sk/o-nas/licencie-a-regulacie/> or [www.etfobchodnik.com](http://www.etfobchodnik.com)