ALB LIMITED

Key Information Document – Shares CFD
Version 1.1 – Last Update 12.08.2021
Version 1.2 – Last Update 13.03.2024

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.

What is a CFD?
A Contract for Difference ("CFD") is a leveraged contract entered into with ALB LIMITED (hereinafter "ALB") on a bilateral basis. It allows an investor to speculate on rising or falling prices in an underlying equity. An investor has the choice to buy (or 'go long' on) the CFD to benefit from rising equity prices, or to sell (or 'short') the CFD to benefit from falling equity prices. The price of the CFD is derived from the underlying equity price. For instance, if an investor is long an XYZ Company CFD and the price of the underlying equity rises, the value of the CFD will increase. At the end of the contract, ALB will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor is long and the price of the underlying equity falls, the value of the CFD will decrease. At the end of the contract, the investor will pay ALB the difference between the closing value of the contract and the opening value of the contract. The leverage embedded within all CFDs has the effect of magnifying both profits and losses.

Risk Warnings
⚠ CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 65.54% of retail investor accounts lose money when trading CFDs with ALB Limited. These products may not be suitable for all investors. Please make sure that you fully understand the risks involved and seek independent advice if necessary. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. The value of your investment may go down as well as up.

The manufacturer
CFDs are provided by ALB Limited. ALB Limited is authorized and regulated by the Malta Financial Services Authority, License No: IS/ 79767.

What is this product?
This product is a contract for differences based on Shares. This product has no predefined maturity date. A contract for differences is an arrangement whereby a seller and buyer will be settling the difference between the current value of the underlying asset and its value at the time the contract is made. If the difference is positive the seller pays the buyer while if the difference is negative the buyer pays the seller. CFDs are financial derivatives that allow traders to take short or long positions to speculate on the shares' markets. ALB is not entitled to terminate this product unilaterally. The product is terminated automatically if an unexpected decrease in liquidity or delistingby official exchanges occur. The goal of trading this product is to gain exposure to movements in relation to a financial product, benchmark or instrument without owning it. An investor can gain leveraged exposure to the movement in the value of the underlying shares (whether up or down) and there is no need to buy or sell the underlying shares. One of the key features of trading CFDs relates to the initial margin: it requires a relatively small proportion of the notional value of the contract to be put down upfront as initial margin. For example, supposing an investor buys 1 standard lot (100 shares), each share has value of euros 10.00. The notional value of the standard lot is euros 1,000(10x100= euros 1,000). The effect of leverage, in this case 5:1, has resulted in an initial (requested) margin of euros200.00 (1000:5). As a result, for each 1 euro change in the price of the underlying index, there will be a profit or loss by euros 100.By way of example, supposing: a) The investor holds a long position and the market increases in value, a euros 100 profit will be made for every 1 euro increase in that market. On the other hand, if the market decreases in value, a euros 100 loss will be incurredfor each point the market decreases in value. b) The investor holds a short position, a profit is made in line with any decreases in that market, and a loss for anyincreases in the market.

What are the costs?

Trading shares CFD incurs the following costs:

<u>One-off entry or exit costs</u>

- **Spread**: The difference between the buy price and the sell price is called the spread. This cost is realized each time you open and close a trade.
- **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. A currency conversion fee will be charged to your account as a result.

<u>Ongoing costs</u>

- **Daily holding cost:** A fee is charged to your account for every night that your position is held. This means the longer you hold a position, the more it may cost.
- **Borrow charge:** For short positions only, a borrow fee is charged to your account for every night that your position is held. This means the longer you hold a position, the more it may cost.

Swap Short	-4.5%
Swap Long	-5.5%

How long should I hold this instrument, and can money be taken out early?

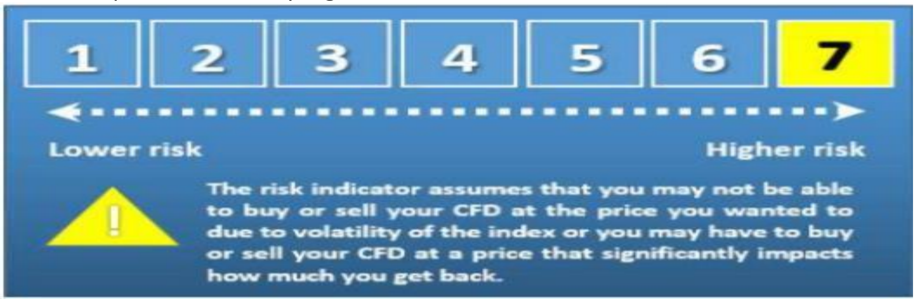
Holding periods do not apply to CFDs and is up to the client's discretion to determine their holding period.

Intended Retail Investor

CFDs are intended for investors who have knowledge of, or experience with, leveraged products. Likely investors will understand how the prices of CFDs are derived, the key concepts of margin and leverage. They will understand the risk/reward profile of the product compared to trading other products, and desire short-term, high-risk exposure to an underlying asset. Investors will also have appropriate financial means, hold other investment types and have the ability to bear losses of the total amount invested.

What are the risks?

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 of the product at a very high level.



CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. There is no capital protection against market risk, credit risk or liquidity risk.

Be aware of currency risk. It is possible to buy or sell CFDs in a currency which is different to the base currency of your account. The final return you may get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Volatility: Market conditions may mean that your CFD trade is closed at a less favourable price, which could significantly impact how much you get back. We may close your open CFD contract if you do not maintain the minimum margin that is required, if you are in debt to the company, or if you contravene market regulations. This process may be automated.

This product does not include any protection from future market performance, so you could lose some or all of your investment. 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.

Performance

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. What you get will vary depending on how the market performs and how long you hold the CFD. The scenarios show what you might get back in the indicated market circumstances, and it does not consider the situation where we are not able to pay you.
The figures do not consider your personal tax situation and the applicable tax legislation, which may also affect how much you get back (actual pay-out). The final return you may get may also depend on the exchange rates, if the CFD you have transacted in is based in a currency that is different from your base currency – currency risk is not considered in below example.
The following assumptions have been used to create the scenarios in Table 1 below:

			Scenario						
Currency Value	100		Long Position			Short Position			
Scenario	Instrument	Opening Price	% Change	Price Change	Profit/Loss	% Change	Price Change	Profit/Loss	
Favourable	APPLE	170.97	1.00%	172.68	170.97	-1%	172.6797	(170.97)	
Moderate	APPLE	170.97	2.00%	174.39	341.94	-2%	174.3894	(341.94)	
Unfavourable	APPLE	170.97	-2.00%	167.55	(341.94)	2%	167.5506	341.94	
Stress	APPLE	170.97	-5.00%	162.42	(854.85)	5%	162.4215	854.85	

What happens if the Company is unable to Payout?

In the event ALB is unable to meet its financial obligations to you, you may lose the value of your investment. However, ALB segregates all retail client funds from its own money in accordance with the MFSA client asset rules. ALB Limited is a member of the Investor Compensation Scheme (ICS), a rescue fund for retail customers of failed investment firms which are licensed by the Malta Financial Services Authority.

For more information

Please contact us at via telephone +356 2371 6000 or email at info@alb.com.
Also, kindly find the following contracts and policies on our website https://alb.com/support/documentation

How can I complain?

If you wish to make a complaint about ALB, you should contact our client services team on +356 2371 6000, or email alb.compliance@alb.com. If you do not feel that your complaint has been resolved satisfactorily, you are able to refer your complaint to the Office of the Arbiter For Financial Services - https://www.financialarbiter.org.mt/

Legal Disclaimer

ALB LIMITED (“ALB”) believes that its customers (the “client”, “customer”, “you”, or “your”) should be aware of the risks involved in entering over-the-counter contracts for foreign currency, precious metals, and contracts for difference (CFDs) and spot foreign exchange contracts (“Spot FX”) (collectively, “OTC Contracts”). The following is a brief, non-exhaustive summary of certain significant factors and special risks you should take into account when deciding whether to trade OTC Contracts. For the avoidance of doubt, this statement does not constitute a form of investment advice, nor has the character of an investment advice.
Before deciding whether to carry out a transaction in OTC Contracts, you are obliged to examine whether concluding such transactions is relevant to your investment targets and in regard to your experience, knowledge and willingness to take risks. If you have any doubts as to the essence of the functioning of financial instruments and their economic sense, you are obliged to ask ALB for an explanation.
This Statement, which constitutes an addition to the Client Agreement and the Terms of Business of ALB, does not disclose or explain all the risks and other significant aspects involved in trading OTC Contracts. Engaging in transactions offered by ALB can carry a high risk to your capital, where there is the potential that it is lost completely.
If more information on the risks involved is required, please contact ALB.