

PROSPECTUS CONTRACTS FOR DIFFERENCE (CFD)

Avertissement:

Les CFD sont des produits spéculatifs à effet de levier pouvant mener à une perte totale voire supérieure à l'investissement initial quelque soit la durée de détention de l'investissement. Avant tout investissement dans ce produit, il est recommandé à l'investisseur de lire le prospectus et d'analyser si ce produit est un investissement approprié à sa situation financière. L'investissement en CFD requiert de pouvoir surveiller quotidiennement, voire durant la journée, les positions engagées en raison de la volatilité de cet investissement.

LES CFD VISES DANS CE PROSPECTUS SONT EMIS PAR SAXO BANK MAIS COMMERCIALISES PAR KEYTRADE BANK

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Approbation du prospectus CFD

Ce prospectus date du 20 mai 2014 et a été approuvé par des L'Autorité des services et marchés financiers (FSMA) le 20 mai 2014 conformément à l'article 43 de la loi du 16 juin 2006 relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés. Cette approbation ne comporte aucune appréciation de l'opportunité et de la qualité de l'opération, ni de la situation de celui qui la réalise.

I. INFORMATION ABOUT RESPONSIBILITY FOR THIS PROSPECTUS

The credit institution under Danish law Saxo Bank with registered office at Saxo Bank A/S | Philip Heymans Allé 15 | DK-2900 Hellerup., declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is in accordance with the facts and contains no omissions likely to affect its import. Our aim is to inform all clients who trade with CFDs and to give them the fairest information.

The distribution of this prospectus and the offer of CFDs may be restricted by law in certain jurisdictions. This prospectus does not constitute an offer to sell, or an invitation to purchase, the CFDs in any jurisdiction in which such offer or invitation would be unlawful.

This prospectus will be available to customers of Keytrade Bank and will be posted on the website of Keytrade Pro trading platform at the following link: www.keytradebank.com/pro/, and free copies will be available upon request by contacting Keytrade Bank at the following number:

Customer Service: +32 2 679 90 00

The date of this prospectus is 20 May 2014.

The prospectus has been approved by the Belgian regulator on the date of 20 May 2014. The Belgian regulator is the Financial Services and Markets Authority (FSMA) which takes responsibility for the integrity of the financial markets and fair treatment of financial consumers.

Avertissements complémentaires

Les CFD sont des produits dérivés à haut risque, qui ne sont pas appropriés pour tous les clients. Toute mention dans une documentation décrivant des risques liés à un produit ou un service particulier ne peut pas et ne devrait être ni interprétée comme une divulgation complète ni une description complète de tous les risques liés à ces produits ou services, et partant, la Banque encourage vivement toute personne intéressée, compte tenu de l'utilisation de ces produits et services, à consulter les conseillers financiers spécialisés avant la conclusion de tout investissement ou de toute transaction.

Si un client veut ouvrir un compte Keytrade Pro, il doit être conscient des risques encourus. Le client doit disposer de ressources financières suffisantes pour supporter les risques et doit appliquer une bonne gestion son argent et de ses risques.

Chaque passage d'ordre sur chaque CFD est soumis aux conditions générales de la Banque et à l'Addendum aux conditions générales de la Banque relatif aux transactions sur la Plateforme Keytrade Pro. Ces conditions générales, l'Addendum aux conditions générales de la Banque relatif aux transactions sur la Plateforme Keytrade Pro la liste des prix disponible sur le site internet de la Banque www.keytradebank.com/pro/ (ayant pour alias www.keytrade.com, accessible également par le biais du site internet de la Banque www.keytradebank.com en accédant à la section « Keytrade Pro » de ce dernier site), remplaceront toute information qui peut être donnée ici à titre d'illustration.

II. RÉSUMÉ

A. Information sur l'émetteur

Keytrade Bank

Keytrade Bank est un établissement de crédit de droit belge inscrit auprès de la Banque Nationale de Belgique (Boulevard de Berlaimont 14, 1000 Bruxelles, www.bnb.be) sur la liste des établissements de crédit relevant du droit belge.

Keytrade Bank est une filiale à 100 % de Crelan SA/NV.

Crelan est une banque coopérative où les clients sentent la présence d'un contact personnalisé. La taille humaine, c'est notre griffe. Elle se manifeste, jour après jour, dans la relation de confiance que la banque entretient avec ses clients. Elle utilise un modèle durable et montre un réel engagement sociétal. Le bon sens prime: pas de constructions compliquées, ni de modèles incompréhensibles, juste un banquier transparent. Voilà ce que Crelan prône.

Le Groupe Crelan est composé de quatre entités: la banque coopérative Crelan et ses trois filiales, Crelan Insurance, la banque de niche Europabank et la banque en ligne, Keytrade Bank.

Le Groupe compte 3.658 collaborateurs, 831 agences et 1,2 million de clients.

Les fonds propres s'élèvent à 1,1 milliard d'euro.

Pour de plus amples informations, veuillez consulter la documentation légale et les conditions générales sur www.keytradebank.com.

Concernant la négociation de CFD, Keytrade Bank a conclu avec l'établissement de crédit de droit danois Saxo Bank une convention de commission. Cela signifie que Keytrade Bank s'engage à conclure avec Saxo Bank, en son nom mais pour compte du client, les contrats souhaités par les clients.

Saxo Bank

Saxo Bank est une banque de droit danois qui offre un accès à plus de 20.000 produits financiers comme FX, CFDs, Equities, Futures, Options, ETF... sur plus de 25 bourses internationales comprenant 9000 CFDs sur un nombre important d'actions individuelles cotées sur les bourses principales en Europe, Etats-Unis et Asie.

Keytrade Bank propose d'investir sur les CFD suivants de Saxo Bank :

- ✓ les CFD sur indices
- ✓ les CFD sur actions
- ✓ les CFD sur ETF

B. Présentation et caractéristiques des CFD

Un CFD, ou Contract For Difference, est un instrument financier dérivé permettant de profiter des variations à la hausse ou à la baisse du cours d'un sous-jacent (action, indice ou de tout autre actif) sans en être le propriétaire. Les deux parties s'engagent d'un commun accord sur la différence entre le prix d'une position à l'ouverture et son prix à la clôture. Dans le cas où le prix du sous-jacent augmente entre le moment où la position est ouverte et celui où elle est clôturée, l'acheteur du CFD dégage un profit et le vendeur une perte (hors frais). Ce profit est alors égal à la variation du cours du sous-jacent sur la période considérée. Nous parlons de « position longue » lorsque le client se place à l'achat sur le CFD en vue d'une anticipation à la hausse du sous-jacent. Inversement, le vendeur du CFD dégage un profit et l'acheteur une perte si le prix du sous-jacent baisse sur la période considérée. Nous parlons de « position courte » quand le client anticipe une baisse du sous-jacent.

Le CFD est un contrat traité sur des marchés de gré à gré (Over the Counter – OTC) entre un intermédiaire financier, la banque (dans le cas présent, Saxo Bank), et un client. Cela signifie que le client peut être exposé au risque de défaut de Saxo Bank.

En cas d'inexécution ou de défaut de Saxo Bank, Keytrade Bank demeurera toutefois tenue de faire ses meilleurs efforts pour obtenir des indemnités ou la restitution de toute somme ou instrument financier dont Saxo Bank est redevable en raison de la conclusion et/ou l'exécution d'un contrat pour le compte du client, et créditera le client à concurrence de ce que Keytrade Bank aura ainsi pu obtenir de Saxo Bank (après déduction de la rémunération éventuellement due à Keytrade Bank et des frais encourus pour obtenir ces indemnités et restitutions).

Keytrade Bank ne garantit pas que le client aura droit aux indemnités prévues par les règles relatives à la protection des dépôts et des instruments financiers auxquelles Saxo Bank peut être éventuellement soumise dans son pays, car le compte ouvert auprès de Saxo Bank ne sera pas ouvert au nom du client.

Les contrats conclus avec Saxo Bank peuvent être résiliés (et les positions qui en résultent peuvent être clôturées) automatiquement en cas de faillite de Saxo Bank ou de toute autre situation analogue entraînant une situation de concours entre les créanciers de Saxo Bank.

Par ailleurs, les CFD sont des produits dérivés avec effet de levier qui permettent de démultiplier les performances du sous-jacent. L'effet de levier peut aller jusqu'à 200 sur certains actifs sous-jacents. A ce titre, si le client choisit un effet de levier de 100 et que le sous-jacent évolue de 1%, le client réalisera alors un gain ou une perte de 100% (hors frais de courtage).

Les caractéristiques des CFDs sont les suivantes :

1. Absence de maturité

Les CFD sur indices, sur actions et sur ETF ne comportent pas de date d'échéance. Ainsi, le client est libre de rester en position aussi longtemps que le sous-jacent cotera et de déboucler sa position quand il le souhaite pendant les heures d'ouverture des marchés concernés.

2. Produit OTC

Les CFD ne sont pas traités sur les marchés réglementés mais sont livrés par des établissements spécialisés dans la négociation sur CFD qui sont également market makers (teneurs de marché). Ces établissements sont la contrepartie du client sur ce marché. Les CFD sont échangés entre Keytrade Bank en son nom et pour compte du client et Saxo Bank via la plateforme de trading Keytrade Pro

3. Cotation à l'identique

Les CFD sur action, futures et ETF répliquent à l'identique le cours du sous-jacent. Le prix d'un CFD est donc le miroir exact du prix de son sous-jacent (hors spread). Sur les CFD sur stock index, la cotation est un dérivé du prix du Future indiciel correspondant à l'échéance la plus proche auquel on ajoute une base (différence entre Index et Future) et le spread.

4. Sous-jacents

Les actions, les indices, les ETF, sont négociables via les CFD.

5. Effet de levier

Il permet au client d'ouvrir une position plus importante que ne le permet les fonds disponibles sur son compte. Par exemple, si le compte du client a une valeur de 10.000€ et qu'un effet de levier de 100 (en d'autres mots, que la marge exigée sur le produit traité est de 1% de la valeur nominale de la position CFD) est autorisé, le client peut alors prendre des positions à l'achat ou à la vente jusqu'à un montant de 1.000.000€. Le risque de l'effet de levier résulte dans le fait qu'il peut engendrer des pertes supérieures au capital initial investi.

6. Vente à découvert

Les CFD peuvent être vendus à découvert (sans devoir avoir le sous-jacent en portefeuille). Le client peut ainsi profiter de la baisse d'un sous-jacent.

7. Intérêts reçus en position de vente de CFD

Les investisseurs peuvent recevoir des intérêts créditeurs lorsqu'ils conservent leur position vendeuse sur plus d'une journée si la différence entre taux d'intérêt utilisé pour calculer les intérêts overnight et le mark-up de Saxo Bank est positif.

8. Coûts d'emprunt en position vendeuse au jour le jour

Un coût d'emprunt peut être appliqué aux CFD quand le client garde des positions vendeuses au jour le jour. Ce coût dépend de la liquidité du sous-jacent et peut être nul si la liquidité est très abondante.

9. Frais de financement en position d'achat de CFD

Les investisseurs payent des frais de financement lorsqu'ils conservent leur position acheteuse sur plus d'une journée.

10. Pas d'intérêts intra-day

Le client paie une commission ou un spread quand il négocie en intra-day soit achat et vente d'une position (longue ou courte) dans la même journée. Sur des positions intra-day, aucun décompte d'intérêts n'est effectué.

11. Impact des dividendes

En traitant sur les CFD, le client ne détient pas l'actif sous-jacent directement. Néanmoins, il perçoit un paiement compensatoire du dividende versé par l'action, lorsqu'il est acheteur de CFD sur action. A l'inverse lorsqu'il est vendeur de CFD, il doit payer un paiement compensatoire du dividende versé par le sous-jacent.

12. Net Free Equity

Des intérêts seront potentiellement payés/reçus par le client, en fonction du calcul de son Net Free Equity. Les détails de ce calcul sont repris au point V, B, 10 de ce prospectus.

13. Rôle de commissionnaire de Keytrade Bank

Keytrade Bank n'intervient que comme commissionnaire, elle n'assume donc aucune responsabilité vis-à-vis du client en cas d'inexécution (y compris à la suite d'une faillite ou toute autre situation analogue entraînant une situation de concours entre les créanciers) de Saxo Bank. En aucun cas, Keytrade Bank ne garantit l'exécution des obligations de Saxo Bank. Le risque d'inexécution et de défaut de Saxo Bank est donc supporté par le client.

C. Fonctionnement de la marge et de l'effet de levier

Lorsqu'un investisseur négocie des CFD, il n'utilise qu'une partie de son capital appelée «marge requise». Cette marge constitue un capital immobilisé sur le compte du client et qui n'est donc plus disponible pour prendre de nouvelles positions. Le capital « restant » qui correspond au capital total du compte du client moins le capital immobilisé permet au client d'assumer les pertes potentielles sur les positions en cours.

Si les pertes latentes sur CFD réduisent la valeur du compte jusqu'à égaler le capital immobilisé (marge requise), le client est en appel de marge.

Il est donc bien à noter, que les pertes potentielles sur ses positions CFD peuvent être supérieures au capital immobilisé (marge requise).

Les besoins en marge sur CFD ne correspondent qu'à une fraction de la valeur de la position réellement prise. Ainsi, le client ne verse pas la totalité du montant de la position prise.

Supposons que le capital du client s'élève à 10.000€ et que le client anticipe une hausse de l'action KBC, qui cote aujourd'hui à 29,98€/30€. Le client décide d'acheter « au marché » 1.000 CFD KBC pour 30.000€.

La marge requise demandée par la banque pour traiter sur un CFD KBC est de 5%. Le capital immobilisé pour cette position sera donc uniquement de 5% de la valeur nominale sur le CFD KBC.

Concrètement, si le client décide d'acheter 1.000 CFD KBC au prix de 30€, la valeur nominale de cette position est de 30.000€. La marge requise s'élève à 1.500€ (5% x 30.000€). Par conséquent, pour cette position de 30.000€ sur le CFD KBC, le client a immobilisé uniquement 1.500€ de son capital. Autrement dit, si le client a seulement besoin de 1.500€ sur son compte pour prendre cette position de 30.000€.

Si le cours KBC s'apprécie à 31€/31,02€ et que le client vend « au marché » ses CFD, le gain total réalisé sera de 1.000€ [(31€-30€) x 1.000 CFD] (hors frais de courtage).

Pour cet exemple, alors que l'action KBC a augmenté de 3.3%, le client sur CFD KBC a réalisé un gain de 10% grâce à l'effet de levier de 3 (30.000€ = 3 x 10.000€). Son compte s'apprécie de 10.000€ à 11.000€.

Si le cours KBC se déprécie à 29€/29,03€ et que le client vend « au marché » ses CFD, la perte totale réalisée sera de 1.000€ [(29€-30€) x 1.000 CFD] (hors frais de courtage).

Pour cet exemple, alors que l'action KBC a baissé de 3.3%, le client sur CFD KBC a réalisé une perte de 10% en raison de l'effet de levier de 3 (30.000€ = 3 x 10.000€). Son compte se déprécie de 10.000€ à 9.000€.

L'effet de levier dépend de la marge requise. Le niveau de l'effet de levier maximum (ou marge minimum requise) proposé par le courtier dépend des caractéristiques de l'instrument sous-jacent du CFD. Plus le risque lié au sous-jacent est important, plus la marge demandée est élevée et l'effet de levier est moindre. Plus la marge est élevée, plus faible est l'effet de levier. Par exemple, une marge de 10% représente un effet de levier de 10, tandis qu'une marge de 1% correspond à un effet de levier de 100.

Enfin, l'effet de levier peut avoir un effet aussi bien à la hausse qu'à la baisse. Le client doit surveiller l'évolution de la marge disponible sur son compte et la maintenir au-dessus du minimum requis. L'effet de levier peut amener à des résultats positifs comme négatifs. Dans l'exemple cité ci-dessus, si l'action avait chuté à 29€, le client aurait réalisé une perte de 1.000€ soit 10% de son capital.

Dans le cas où le capital du client risque de ne plus couvrir ses positions, la banque peut déclencher un appel de marge. En pratique, la banque envoie un message e-mail au client lui indiquant qu'il utilise sa marge au maximum et qu'il ne peut plus prendre de positions supplémentaires.

Trois solutions sont envisageables :

- ✓ Le client clôture tout ou une partie de sa position afin de ramener l'utilisation de sa marge en dessous de 100% et pouvoir ainsi prendre, s'il le désire, d'autres positions sur le marché ;
- ✓ Réalimentation de son compte en liquidités pour faire diminuer l'utilisation de sa marge ;
- ✓ Le client ne prête pas attention à cet appel et maintient sa position dans l'espoir que le marché se retourne au risque que l'émetteur déboucle sa position si le marché continue d'aller dans le sens inverse de sa position.

Dans l'exemple ci-dessus, l'utilisation de la marge atteint 100% quand le capital disponible est égal à la marge requise de 1 500€.

C'est-à-dire pour un compte de 10 000€ à l'origine, la perte latente est de 8 500€ et les 1 500€ de marge requise pour sa position équivalent à 100% de son capital de départ.

A partir de ce niveau de 100%, la banque avertit le client du niveau de risque excessif par mail et par message pop-up sur la plateforme de négociation et se réserve le droit de clôturer la position du client à tout moment.

Le client voit alors l'intégralité de ses positions sur CFD clôturées par la banque (perdantes ou gagnantes), il encaisse ses pertes (dans notre

exemple avec une clôture à 100%, il encaisse 8 500€ de perte) et il lui reste les 1 500€ de marge qui se trouvent de nouveau disponible sur son compte de trading.

D. Coûts liés à la négociation et à la détention de CFD

La liste exhaustive des coûts liés aux CFD est détaillée ci-dessous.

Les tarifs et conditions données dans cette section sont indicatifs et sont susceptibles d'évoluer (voir www.keytradebank.com/pro/). Les CFDs cotent toujours dans la devise du sous-jacent avec le principe : 1 point = 1 de la devise du sous-jacent. (Exemple : le CFD CAC 40 cote en euros et 1 point de CFD CAC 40 vaut 1€ ; le CFD Footsee 100 cote en livre sterling et 1 point de CFD Footsee 100 vaut 1£...).

1. Les frais de transaction ou commission

Pour chaque transaction, le client se voit imputer des frais de transaction ou commission calculé, selon le type de CFD, sur la base d'un spread ou d'un pourcentage de la valeur nominale de la transaction ou encore de centimes rapportés au nombre d'actions.

Pour les CFD sur indices, les frais correspondent au spread c'est-à-dire à l'écart entre le bid et le ask fixé de manière unilatérale par Saxo Bank. La détermination du spread est établie par Saxo Bank. Par exemple, le client aura une cotation à l'achat sur le CFD CAC 40 à 3700 points et une cotation à la vente à 3698 points. Le spread cible (dans des conditions normales de marché) est de 2 points soit 2€ pour 1 CFD CAC40.



Tarifs CFD sur indices

▼ Tarifs

Action Indice	Code de l'indice	Écart*	Heures de trading **	Financement CFD (long/short)
Netherlands 25	AEX.I	0.25	09:01 to 18:10	3pp/-2.5pp
Australia 200	ASX200.I	4	10:10 to 16:25	3pp/-2.5pp
France 40	CAC40.I	2	08:01 to 21:55	3pp/-2.5pp
Germany 30	DAX.I	2	08:01 to 21:55	3pp/-2.5pp
Denmark 20	DEN20.I	2.5	09:10 to 16:45	3pp/-2.5pp
US 30 Wall Street	DJI.I	4	18:30 to 16:00	3pp/-2.5pp
UK 100	FTSE100.I	1	08:01 to 20:55	3pp/-2.5pp
Spain 35	IBEX35.I	8	09:01 to 17:30	3pp/-2.5pp
Germany Mid-Cap 50	MDAX.I.	15	09:10 to 17:30	3pp/-2.5pp
US Tech 100 NAS	NAS100.I	1	18:30 to 16:00	3pp/-2.5pp
Japan 225	NI225.I	12	09:01 - 15:25 & 16:30 - 00:30	3pp/-2.5pp
Switzerland 20	SMI.I	3	08:01 to 17:20	3pp/-2.5pp
US SPX500	SP500.I	1	18:30 to 16:00	3pp/-2.5pp
Italy 40	SPMIB.I	12	09:10 to 17:25	3pp/-2.5pp
EU Stocks 50	STOXX50E.I	2	08:01 to 21:55	3pp/-2.5pp
Sweden 30	SWE30.I	0.65	09:10 to 17:20	3pp/-2.5pp
Belgium 20	BELG20.I	7	09:01 to 17:30	3pp/-2.5pp
UK Mid 250	FTSE250.I	44	08:01 to 16:30	3pp/-2.5pp
Norway 25	NOR25.I	1	09:01 to 17:20	3pp/-2.5pp
Germany Tech 30	TECDAX.I	4.5	09:01 to 17:30	3pp/-2.5pp

* Conditions normales de marché. Si le contrat à terme sous-jacent se négocie à un écart supérieur à l'écart minimum, l'écart de l'indice sera majoré de l'écart supplémentaire du contrat à terme.
Exemple : l'écart normal du Dax.I est de 2 points d'indice si l'écart du contrat à terme est de 0,5, sous des conditions normales de marché. Si la liquidité est faible et que l'écart est de 1, l'écart de l'indice sera alors 2 (1-0,5) = 2,5.

** Veuillez remarquer que les horaires de trading sont les heures locales de chaque place boursière.

Pour des tarifs à jour, le client est invité à les consulter sur le site <https://www.keytradebank.com/pro/>.

Pour les CFD sur actions cotés sur les places européennes, les frais reposent sur un pourcentage de 0,10% de l'ordre. Pour une position de 10.000€ sur un CFD KBC, les frais sont de 0,10% x 10.000€ = 10€. Lorsque le client souhaite fermer sa position, il se voit imputer de 0.10% sur le nominal au moment de la clôture. Si la position KBC vaut à la clôture 11.000€, il paiera 11€ (0.10% x 11.000€).



▼ Tarifs

Region	Exchange name	Commission	Minimum Commission	CFD Financing (Long/Short)
North America	NYSE MKT (American Stock Exchange) (AMEX)	2 cents per share	USD 20.00	3pp/-2.5pp
North America	NASDAQ (NASDAQ)	2 cents per share	USD 20.00	3pp/-2.5pp
North America	NASDAQ (Small cap) (NSC)	2 cents per share	USD 20.00	3pp/-2.5pp
North America	New York Stock Exchange (NYSE)	2 cents per share	USD 20.00	3pp/-2.5pp
North America	New York Stock Exchange (ARCA) (NYSE Arx)	2 cents per share	USD 20.00	3pp/-2.5pp
North America	Toronto Stock Exchange (TSE)	3 cents per share	CAD 25.00	3pp/-2.5pp
Europe	Athens Exchange (AT)	0.30%	EUR 12.00	3pp/-2.5pp
Europe	Budapest Stock Exchange (BUX)	0.50%	HUF 6,000	3pp/-2.5pp
Europe	NYSE Euronext Amsterdam (AMS)	0.10%	EUR 12.00	3pp/-2.5pp
Europe	NYSE Euronext Brussels (BRU)	0.10%	EUR 5.00	3pp/-2.5pp
Europe	NYSE Euronext Lisbon (LIS)	0.10%	EUR 12.00	3pp/-2.5pp
Europe	NYSE Euronext Paris (PAR)	0.10%	EUR 5.00	3pp/-2.5pp
Europe	Deutsche Börse (XETRA) (FSE)	0.10%	EUR 12.00	3pp/-2.5pp
Europe	Istanbul Stock Exchange (ISE)	0.20%	TRY 50	3.5pp/-4.5pp
Europe	London Stock Exchange (LSE_SETS)	0.10%	GBP 8.00	3pp/-2.5pp
Europe	London Stock Exchange (IOB) (LSE_INTL)	0.10%	USD 20.00	3pp/-2.5pp
Europe	Borsa Italiana/Milan Stock Exchange (ML)	0.10%	EUR 12.00	3pp/-2.5pp
Europe	NASDAQ OMX Copenhagen (CSE)	0.10%	DKK 65.00	3pp/-2.5pp
Europe	OMX Helsinki (HSE)	0.10%	EUR 10.00	3pp/-2.5pp
Europe	NASDAQ OMX Stockholm (SSE)	0.10%	SEK 65.00	3pp/-2.5pp
Europe	Oslo Børs/Oslo Stock Exchange (OSE)	0.10%	NOK 65.00	3pp/-2.5pp
Europe	Prague Stock Exchange (PRA)	0.25%	CZK 500	3pp/-4.5pp
Europe	BME Spanish Exchanges (SIBEX)	0.10%	EUR 12.00	3pp/-2.5pp
Europe	NYSE Swiss Exchange (SWX)	0.10%	CHF 18.00	3pp/-2.5pp

Pour des tarifs à jour, le client est invité à les consulter sur le site <https://www.keytradebank.com/pro/>.

Pour les CFD sur ETF européens, les frais sont de même nature que les CFD sur actions européens à savoir 0,10% de l'ordre. Pour une position de 10.000€ sur un CFD Lyxor CAC 40, les frais sont de 0,10% x 10.000€ = 10€. Lorsque le client souhaite fermer sa position, il se voit imputer de 0.10% sur le nominal au moment de la clôture. Si la position CFD Lyxor CAC 40 vaut à la clôture 11.000€, il paiera 11€ (0,10% x 11.000€).

Pour des tarifs à jour, le client est invité à les consulter sur le site <https://www.keytradebank.com/pro/>.

2. Les frais de financement

L'utilisation d'un effet de levier sur des positions longues, conservées au-delà d'une journée (appelé overnight ou au jour le jour), comporte un coût. En revanche, l'utilisation de l'effet de levier sur une position courte va donner lieu à une rémunération supplémentaire sous forme d'intérêt créditeur (sauf si le niveau des taux d'intérêts crée les conditions d'un intérêt débiteur).

Lorsque le client est à l'achat sur un CFD et qu'il conserve sa position plus d'un jour, son compte est débité en fin de mois des intérêts de financement de sa position.

Si le taux de financement est de 4% et que la position est conservée 3 jours, il se verra imputer des frais de financement de 4% x valeur nominale x 3 jours / 360. Dans notre exemple ci-dessus, les frais de financement sont de 4% x 10.000€ x 3/360 = 3,33€

Lorsque le client est à la vente sur un CFD et qu'il conserve sa position plus d'un jour, son compte est crédité chaque fin de mois des intérêts de sa position.

Si le taux d'intérêt est de 1% et que la position est conservée 3 jours, il se verra créditer des intérêts de 1% x valeur nominale x 3 jours / 360. Dans notre exemple ci-dessus, les intérêts sont de 1% x 10.000€ x 3/360 = 0,83€.

Le calcul des frais de financement en position longue provient du :
(Taux euro libor + mark-up de l'émetteur) x valeur nominale x n/360

Le calcul des intérêts créditeurs en position courte est :
(Taux euro libid – mark-down de l'émetteur) x valeur nominale x n/360

Si le taux euro libid est inférieur au mark-down de l'émetteur, le client ne recevra pas d'intérêts créditeurs mais devra payer la différence. Dans les conditions de marché actuel (2014) avec des taux d'intérêt bas le client paye ces intérêts.

3. Les ajustements de dividendes

Lorsque des dividendes sont versés sur les actions sous-jacentes, les détenteurs de positions longues en CFD sont admissibles à un paiement partiel. L'ajustement de dividende est calculé à partir de la position du client déduit du taux d'imposition standard international lié aux CFD. Les détenteurs de positions courtes devront payer un montant égal à la totalité du dividende (brut) versé sur l'action sous-jacente.

Les dividendes sur les positions CFD sont des ajustements de trésorerie payés ou débités par la banque et non par la société sous-jacente.

Plus de détails dans la section « IV.5.4 Dividend adjustments » VII, E

4. Les frais d'abonnement

La configuration initiale de la plateforme de trading donne accès au prix des CFD sur action avec un décalage de 15 minutes. Pour obtenir les cotations en temps réel, les clients doivent souscrire à un abonnement mensuel. L'ensemble des frais d'abonnement est consultable sur notre site web : www.keytrade-bank.com/pro/

5. Les coûts d'emprunt

Un coût d'emprunt peut être appliqué aux CFD sur actions quand le client détient des positions short vendeuses en overnight. Ce coût dépend de la liquidité du sous-jacent et peut être nul si la liquidité est très abondante.

6. Les coûts de liquidité

Les coûts de liquidité sont dus au fait que sur chaque CFD, il existe un spread entre le prix demandé et le prix offert. Cela veut dire qu'un client qui possède une position CFD perdra quoi qu'il arrive la différence de la fourchette de prix, et ce, même si le prix du sous-jacent n'a pas bougé entre l'achat et la vente de la position.

Par exemple, si un client veut acheter un CFD action qui cote 10,00€/10,02€. Il achètera au prix offert, soit, 10,02€. S'il vend sa position directement, il vendra au cours demandé ; soit 10€. Le client perdra donc 0,02€ bien que le prix du sous-jacent n'ait pas changé. C'est le coût de liquidité. On peut noter d'ailleurs que ce coût de liquidité est différent des frais de commissions ou des frais de financements.

7. Les net free equity costs

Des intérêts seront potentiellement payés/reçus par le client, en fonction du calcul de son Net Free Equity. Les détails de ce calcul sont repris au point V, B, 10 du prospectus.

E. Exemples de positions prises sur CFD sur actions

Position « LONGUE » gagnante

Si le client anticipe la hausse d'un CFD sur action AB Inbev, il va prendre une position longue sur le CFD sur action AB Inbev.

Le cours du CFD sur action AB Inbev est de 66,60€/66,62€. Il achète 1.000 CFD au cours de 66,62€. La valeur nominale est de 66.620€ (1.000*66,62€). La marge requise pour ce CFD sur action AB Inbev est de 5% équivalent à 3.331€ (5% de 66.620€). Le client immobilise uniquement 3.331€ de son capital pour prendre cette position. La marge de 5% est définie en fonction du risque lié au sous-jacent. En l'occurrence pour AB Inbev, l'effet de levier maximum est de 20 soit une marge requise de 5% (1/20).

En termes de frais, Il paie les frais de transaction de 0.10% du nominal soit 66,62€. S'il garde sa position en overnight, il sera soumis au frais de financement au taux du LIBOR + mark-up de l'émetteur (+/- 0,27144%+3% = 3,27144%).

Dix jours plus tard, le CFD sur action AB Inbev s'apprécie à 70€ et le client vend ses 1.000 CFD à 70€. Il paie 0.10% du nominal à 70.000€ soit 70€ et se verra imputer en fin de mois des frais de financement de 60,54€ (66.620€ x 3,27% x 10/360).

Il réalise ainsi un gain net de 3.182,84€.

Le détail du calcul est indiqué dans le tableau ci-dessous :

Détails	Calcul	Montant (€)
Valeur nominale à l'achat	1.000 x €66,62	66.620
Marge requise	€66.620 x 5%	3.331
Commission	€66.620 x 0,10%	-66,62
Frais de financement	3,27144% x 10 days x €66.620 / 360	-60,54
Valeur nominale à la vente	1.000 x €70	70.000
Commission	€70.000 x 0,10%	-70
Profit	€70.000 – €66.620	3.380
Total des frais	€66,62 + €60,54 + €70	-197,16
Gain net	€3.380 – €197,16	3.182,84

Position « LONGUE » perdante

Avec un capital à 10.000€, il décide d'acheter 1.000 CFD au prix de 66,62€. La valeur nominale est de 66.620€ (1.000*66,62€). La marge requise pour ce

CFD sur action AB Inbev est de 5% équivalent à 3.331€ (5% de 66.620€). La marge de 5% est définie en fonction du risque lié au sous-jacent. En l'occurrence pour AB Inbev, l'effet de levier maximum est de 20 soit une marge requise de 5% (1/20). Le client immobilise uniquement 3.331€ de son capital pour prendre cette position. Ainsi le capital immobilisé est de 3.331€ pour une position de 66.620€. Si le client souhaite prendre d'autres positions, il aura par conséquent 6.669€ de capital disponible (10.000€ - 3.331€).

En termes de frais, il paie les frais de transactions de 0.10% de l'ordre soit 66,62€. 10 jours plus tard, le CFD AB Inbev est de 63€ et le client décide de clôturer sa position. Il paie 0.10% du nominal à 63.000€, soit 63€, et 60,54€ de frais de financement. Il réalise ainsi une perte nette de 3.810,16€. Dans le cas où la marge requise est égale au capital, on dit que le client est en appel de marge. En effet, si la perte amène votre capital au même niveau que la marge requise, le compte est en appel de marge. Par exemple si mon capital initial de 10.000€ baisse à 3.331€ soit le niveau de ma marge requise, le compte est en appel de marge. A partir de ce moment et à tout moment, le client peut voir sa position déboucler par la banque car son capital n'est plus suffisant pour conserver sa position.

Le détail du calcul est indiqué dans le tableau ci-dessous :

Détails	Calcul	Montant (€)
Valeur nominale à l'achat	1.000 x €66,62	66.620
Marge requise	€66.620 x 5%	3.331
Commission	€66.620 x 0,10%	-66,62
Frais de financement	3,27144% x 10 days x €66.620 / 360	-60,54
Valeur nominale à la vente	1.000 x €63	63.000
Commission	€63.000 x 0,10%	-63
Perte	€63.000 - €66.620	-3.620
Total des frais	€66,62 + €60,54 + €63	-190,16
Perte nette	€3.620 + €190,16	-3.810,16

Position « COURTE » gagnante

Le client anticipe la baisse d'un CFD action. Il décide de shorteur 2.000 CFD Colruyt en prenant une position courte au prix de 36,69€. La valeur nominale est de 73.380€ (2.000*36,69€). La marge requise pour ce CFD Colruyt est de 5% équivalent à 3.669€ (5% de 73.380€). Le client immobilise uniquement 3.669€ de son capital pour prendre cette position. La marge de 5% est définie en fonction du risque lié au sous-jacent. En l'occurrence pour Colruyt, l'effet de levier maximum est de 20 soit une marge requise de 5% (1/20). En termes de frais, la commission est de 0.10% de 73.380€, soit 73,38€. En fin de mois, il reçoit des intérêts créditeurs au taux du LIBID - mark-down de l'émetteur (par exemple, pour un taux LIBID 0,26561% et un mark-down de 2,5 %, les intérêts sont de - 2,23439%). Actuellement (avril 2014) les taux sont tellement bas que le client va subir des intérêts négatifs car le mark-down est supérieur au taux LIBID . Dix jours plus tard, le CFD Colruyt baisse à 34,50€ et le client rachète ses 2.000 CFD à 34,50€. Il paie 0.10% du nominal à 69.000€ soit 69€ et se voit imputer des frais de financement de 45,54€ (73.380€ x 2,23% x 10/360). Il réalise ainsi un gain net de 4.192,08€.

Le détail du calcul est indiqué dans le tableau ci-dessous :

Détails	Calcul	Montant (€)
Valeur nominale à la vente	2.000 x €36,69	73.380
Marge requise	€73.380 x 5 %	3.669
Commission	€73.380 x 0,10%	-73,38
Frais de financement	2,23439% x 10 days x €73.380/ 360	-45,54
Valeur nominale à l'achat	2.000 x €34,50	69.000
Commission	€69.000 x 0,10%	-69
Profit	€73.380 - €69.000	4.380
Total des frais	€73,38 + €45,54 + €69	-187,92
Gain net	€4.380 - €187,92	4.192,08

Position « COURTE » perdante

Le client anticipe une baisse du CFD Colruyt mais le cours du CFD Colruyt s'apprécie. Il décide de vendre 2.000 CFD à 36,69€. Ce qui donne une valeur nominale de 73.380€ (2.000*36,69€). La marge requise pour ce CFD Colruyt est de 5% équivalent à 3.669€ (5% de 73.380€). Le client immobilise uniquement 3.669€ de son capital pour prendre cette position. La marge de 5% est définie en fonction du risque lié au sous-jacent. En l'occurrence pour Colruyt, l'effet de levier maximum est de 20 soit une marge requise de 5% (1/20). En termes de frais il paie les frais de transactions de 0.10%, soit 73,38€. Dix jours plus tard, le CFD Colruyt est à 38€ et le client décide de couper ses positions. Il paie 0.10% du nominal à 76.000€, soit 76€ et 45,54€ de frais de financement. Il réalise ainsi une perte nette de 2.814,92€.

Le détail du calcul est indiqué dans le tableau ci-dessous :

Détails	Calcul	Montant (€)
Valeur nominale à la vente	2.000 x €36,69	73.380
Marge requise	€73.380 x 5 %	3.669
Commission	€73.380 x 0,10%	-73,38
Frais de financement	2,23439% x 10 days x €73.380/ 360	-45,54
Valeur nominale à l'achat	2.000 x €38	76.000
Commission	€76.000 x 0,10%	-76
Perte	€73.380 - €76.000	-2.620
Total des frais	€73,38 + €45,54 +€76	-194,92
Perte nette	€2.620 + €194,92	-2.814,92

Exemple de position impliquant le coût de liquidité lié au spread bid-ask

Si le client décide de clôturer sa position alors que le cours du sous-jacent n'a pas bougé, alors il se verra imputer du coût de liquidité reposant sur le spread bid-ask (hors frais de courtage).

En effet, si le cours du CFD KBC cote à l'achat 40.07€ (ask) et à la vente 40.05€ (bid) selon la loi de l'offre et de la demande, le client subira une perte de 0.02€ par CFD KBC.

F. Principaux facteurs de risques

1. Risque lié à l'effet de levier

L'effet de levier sur les CFD utilisé par un client fonctionne autant à la hausse qu'à la baisse et en position gagnante et perdante. L'évolution de la position avec effet de levier est ainsi démultipliée et peut engendrer des pertes importantes en raison de l'utilisation d'un effet de levier excessif. Par exemple, si le cours baisse de 1% sur le CFD Bel20 et que le client anticipe une hausse du BEL20 avec un effet de levier de 50 la perte sera alors de 50%. Pour un effet de levier de 100, la perte sera de 100%.

2. Risque de marché

L'impact de l'évolution des marchés sur un investissement en CFD est démultiplié par rapport à un investissement sur les actions ; par conséquent, le risque de marché en est plus élevé. L'investissement en CFD peut engendrer une perte plus importante que le capital initialement investi.

3. Risque de contrepartie

Le CFD est un contrat financier qui se négocie sur un marché de gré à gré et qui lie le client à une contrepartie, l'émetteur du CFD. Par conséquent, il existe un risque de contrepartie pour le client si la contrepartie ne peut assurer son engagement.

4. Risque de liquidité

Un client voulant clôturer sa position CFD, peut être soumis à un risque de liquidité dans la mesure où il peut ne pas pouvoir clôturer sa position au moment et au prix qu'il souhaite. Les conditions de clôture sont définies par la contrepartie qui est Saxo Bank. Saxo Bank peut refuser de négocier ou proposer un prix moins intéressant. En effet, si la liquidité n'est pas suffisante à un instant t, le client peut voir sa position non exécutée par Saxo Bank ou bien exécutée par palier en fonction du nombre de CFD échangés au prix demandé par le client (loi de l'offre et de la demande). C'est pourquoi il est important pour le client de vérifier la liquidité de l'instrument sous-jacent, à savoir connaître le volume échangé sur le marché traité directement depuis la plateforme de trading dans la rubrique « volume ».

5. Risque des ordres liés, take profit et stop loss non exécutés

Il est fortement conseillé que le client fixe à l'avance un objectif de gain (ordre take profit) et de perte (ordre stop loss). Le stop loss permet ainsi de définir un niveau de sortie en cas de perte sur la position. Mais il arrive que la contrepartie ne garantisse pas ce niveau de sortie automatique en raison du manque de liquidité (Cf. risque de liquidité).

6. Risque de change

Pour les gains et les pertes sur des positions détenues dans une devise différente de celle du compte, le client peut être soumis à un risque de change, en cas d'évolution défavorable de la devise.

7. Risque de saut (gap)

Le client qui conserve des positions sur plus d'une journée peut subir des écarts haussier ou baissier à l'ouverture du marché le lendemain. Il arrive parfois que le cours de la veille ne soit pas exactement le même ou voire augmenté ou diminué de x% le lendemain en raison d'ordres passés la veille ou d'une annonce économique majeure survenu hors cotation de marché. Le client peut se voir ainsi soumis au risque de saut du cours du CFD et par conséquent subir d'importantes pertes dues à l'effet de levier.

8. Risque de liquidation forcée

Lorsque le client se situe en appel de marge (100% d'utilisation de marge), il peut être contraint de voir ses positions fermées par la contrepartie à tout moment. La marge requise est alors équivalente au capital disponible et ce dernier ne suffit plus pour maintenir l'ensemble des positions. La contrepartie peut par conséquent estimer que le risque est excessif et déboucler les positions ouvertes du client.

9. Risque technologique

Le client peut subir des problèmes liés au fonctionnement de sa plateforme de trading (lenteur d'exécution, problèmes d'affichage de cours, compatibilité...) en raison de la qualité de sa connexion internet par exemple.

10. Risque lié à la suspension du cours du sous-jacent

Lorsque le cours du sous-jacent est suspendu, le CFD lié à ce même sous-jacent fait également l'objet d'une suspension. Le client qui détient ce CFD ne peut donc pas clôturer sa position, alors qu'il continue à subir des frais de financement.

11. Risque de conflit d'intérêt

Dans la mesure où la contrepartie du client est également l'émetteur du CFD, un conflit d'intérêt peut exister car les parties peuvent avoir des intérêts divergents.

D'une manière générale, dans le cadre de son activité de fourniture de service d'exécution d'ordres, des situations de conflits d'intérêt peuvent exister entre la banque et ses clients.

Dans le cadre de sa procédure de prévention et gestion des conflits d'intérêts, Keytrade Bank a établi une liste non exhaustive de scénarios éventuels de conflits d'intérêts

- Keytrade Bank serait en mesure de réaliser un gain, ou d'éviter une perte, aux dépens du client.

Exemple: Keytrade Bank pourrait vendre en masse des valeurs de son propre portefeuille dont elle craindrait une évolution négative, ce qui pourrait causer des pertes financières à certains clients.

- Keytrade Bank pourrait avoir un intérêt dans le résultat d'un service fourni au client ou d'une transaction réalisée pour son compte, qui est différent de l'intérêt de ce client dans le résultat.

Exemples : - Keytrade Bank pourrait ne pas respecter les intérêts financiers d'un client au profit de sa propre politique commerciale ou au profit des objectifs individuels d'un employé et le client pourrait s'en trouver lésé.

- Keytrade Bank pourrait être incitée, notamment pour des raisons financières, à privilégier les intérêts d'un client ou d'un groupe de clients, par rapport à un autre client, ou un autre groupe de clients.

Exemple: Keytrade Bank pourrait utiliser des informations privilégiées obtenues d'un client, au détriment d'un autre client ou au profit de certains clients privilégiés.

- Keytrade Bank pourrait avoir la même activité professionnelle que le client.

Exemple: un broker ou un trader, ou un fonds de placement pourrait disposer d'un compte ouvert auprès de Keytrade Bank et la consultation des mouvements de ce compte pourrait déboucher sur l'utilisation d'informations confidentielles entraînant un conflit d'intérêts.

- Keytrade Bank pourrait recevoir, d'une personne autre que le client, un avantage en relation avec le service fourni au client, autre que la commission ou les frais normalement facturés pour ce service.

Exemple: Keytrade Bank pourrait bénéficier de la part d'un émetteur de produits structurés d'avantages en argent, en biens ou en services, en dehors des commissions habituellement facturées et indiquées dans les fiches de produits, ce qui pourrait avoir pour conséquence un rendement moindre pour le client.

Keytrade Bank a mis au point un système organisationnel en matière de services et activités d'investissement prévoyant la séparation des fonctions, par exemple entre la gestion des ordres de Keytrade Bank pour compte propre et celle des ordres des clients, y compris au niveau de la surveillance et des applications informatiques, dans le but d'assurer l'indépendance et le fonctionnement autonome des diverses entités concernées, dans l'intérêt des clients.

- Politique de confidentialité

Tous les collaborateurs de Keytrade Bank sont tenus à un devoir de confidentialité quant aux données concernant les clients et leurs opérations d'investissement, dans le but d'éviter les conflits d'intérêts.

- Etablissement de Murailles de Chine.

Keytrade Bank a pris des mesures organisationnelles visant à conserver la confidentialité des informations; ces mesures sont informatiques, comme la sécurisation de l'environnement, l'utilisation de mots de passe ou la gestion des accès aux données en fonction des activités exercées par les différents collaborateurs de Keytrade Bank.

- Avantages

Keytrade Bank n'offre, ne sollicite et n'accepte aucune autre forme de rémunération en dehors des suivantes :

a) une commission, un courtage ou un avantage non monétaire fourni à ou par un client ou une personne agissant pour le compte d'un client ;
b) une commission, un courtage ou un avantage non monétaire fourni à ou par un tiers ou une personne agissant pour le compte d'un tiers, dans les conditions suivantes :

- l'existence de cette commission, de ce courtage ou de cet avantage est communiquée au client avant que ne soit fourni le service en contrepartie duquel elle/il est accordé ; et
 - elle/il a pour but d'améliorer la qualité du service fourni au client et est conforme au devoir de Keytrade Bank d'agir au mieux des intérêts de ce dernier ;
- c) les frais appropriés facturés dans le cadre de la fourniture de services d'investissement, qui ne peuvent donner lieu à des conflits avec les obligations de Keytrade Bank qui sont d'agir honnêtement, équitablement et professionnellement au mieux des intérêts de ses clients.

- Procédures

Keytrade Bank a mis en place des procédures spécifiques permettant de prévenir les conflits d'intérêts, notamment par le biais de sa politique d'intégrité, d'un code de déontologie, applicable à tous les collaborateurs de Keytrade Bank, d'une procédure relative aux transactions personnelles des collaborateurs et aux mandats et fonctions externes des dirigeants effectifs et administrateurs et d'une politique de rémunération. Le contrôle du respect de ces procédures

est assuré par le Compliance Officer qui fonctionne de manière indépendante.

Cela recouvre notamment les mesures suivantes :

- des politiques de gestion des cadeaux et invitations reçus par les collaborateurs ont été mises en œuvre. Ainsi les collaborateurs ne doivent ni offrir, ni donner, ni solliciter, ni accepter des cadeaux ou des invitations qui sont considérés comme une source de conflit d'intérêts par rapport aux obligations dues aux clients ;
- il existe des dispositions déontologiques applicables aux collaborateurs relatives notamment aux transactions personnelles et aux mandats et fonctions externes. Ainsi les collaborateurs de Keytrade Bank ne peuvent utiliser des informations confidentielles ou privilégiées lors de transactions sur titres pour compte personnel.

Ces procédures font l'objet de formations régulières par le Compliance Officer.

12. Rôle de commissionnaire de Keytrade Bank

Keytrade Bank n'intervient que comme commissionnaire, elle n'assume donc aucune responsabilité vis-à-vis du client en cas d'inexécution (y compris à la suite d'une faillite ou toute autre situation analogue entraînant une situation de concours entre les créanciers) de Saxo Bank. En aucun cas, Keytrade Bank ne garantit l'exécution des obligations de Saxo Bank. Le risque d'inexécution et de défaut de Saxo Bank est donc supporté par le client.

Avant l'ouverture d'un compte Keytrade Pro, il est primordial de consulter ce prospectus, du document intitulé « Aperçu des caractéristiques et risques essentiels des instruments financiers » disponibles sur la page d'accueil du site <https://www.keytradebank.com/pro/>, de s'informer sur les produits dérivés sur marge CFD et de tester en simulation à partir d'un compte Keytrade Pro démo gratuit et sans engagement. En effet, les CFD sont des produits dérivés complexes qui présentent, en raison de leur effet de levier, un fort caractère spéculatif et peuvent exposer le client à des risques de pertes supérieures au montant investi. Ces produits sont destinés à une clientèle avisée pouvant surveiller ses positions de manière quotidienne et ayant les moyens financiers de supporter un tel risque. Les CFD sont par ailleurs des produits financiers sans date d'échéance (exceptés sur les CFD matières premières (non disponibles auprès de Keytrade Bank), CFD Forex (non disponibles auprès de Keytrade Bank) et CFD sur obligations (non disponibles auprès de Keytrade Bank)) et qu'il appartient à le client de déboucler ses positions.

Warning

CFDs are derivative products with a high risk, which are not appropriate for all clients. Any mentioning in a publication of the risks pertaining to a particular product or service may not and should neither be construed as a comprehensive disclosure nor full description of all risks pertaining to such product or service and Keytrade Bank strongly encourages any recipient considering trading in its products and services to employ and continuously consult suitable financial advisors prior to the conclusion of any investment or transaction.

If the client wants to open a trading account and to enter into a trading relationship with Keytrade Bank, he has to be aware of the risks involved. The client must have adequate financial resources to bear such risks and must apply good money management.

Any trade on any CFD shall be subject to the Bank's General Conditions. Such General Conditions and the Price List referred to therein, shall supersede any information which may be given herein for illustrative purposes.

III. RISKS

A. Risk warning

You must carefully consider whether using CFDs is appropriate for you in the light of your circumstances and financial position. You should be aware that margin trading is a high risk geared investment strategy and we do not consider it suitable for many members of the public. CFDs carry a high degree of risk and the gearing or leverage obtainable means that losses can exceed your initial deposit. You should not deal in CFDs unless you understand the nature of the contract you are entering into and the extent of your exposure to risk from that contract.

Please find hereunder some important information that you should consider before deciding to trade CFDs.

Investing with CFDs requires monitoring at all times. If you don't have time to monitor your transactions, we advise you not to trade on CFDs.

Holding a position overnight on CFD can expose to overnight risk exposure if markets next morning open far from close and it can lead to significant losses meaning more than the margin.

CFDs (except CFDs on Bonds) don't have expiry date, so you can close your CFD position when you want during the opening hours.

For Long CFDs the maximum risk is for the price to drop until zero. For Short CFDs the maximum risk is unlimited as there is no limitation to how far the price can go up.

Margin Trading carries a high level of risk. It is appropriate only for persons who, if they trade on margin, can assume risk of loss in excess of their margin deposit. Therefore, investors must ensure that they fully understand the risks involved and seek independent advice if necessary before applying to open an account with Keytrade Bank.

B. Risks of trading

The client must carefully consider whether trading CFDs is appropriate for him in the light of his experience, objectives, financial resources and other relevant circumstances. He should be aware that margin trading is a geared investment strategy involving high risks. Hence, it is not appropriate for all clients.

The client should not trade CFDs unless he fully understands the nature of the contract he is entering into and the extent of his exposure to the risks arising from that contract.

Indeed, CFDs involve different levels of exposure to risk, therefore in deciding whether to trade in such instruments, the client should be aware of the following points:

- Trading in CFDs carries a high degree of risk. The “leverage” involved in trading CFDs implies that a small initial margin payment can potentially lead to large losses. The geared nature of CFDs also means that CFD trading can carry greater risks than conventional share trading, which is generally not geared.
- A relatively small market movement can lead to a proportionately much larger movement in the value of the investment, and this can work against the client as well as for the client.
- Saxo Bank acts as a “market maker” in CFDs. As such, all CFDs are off-exchange derivatives and Saxo Bank is acting as the client’s counterpart to the transaction. For these reasons, these off-exchange transactions may involve increased risks since the client can exclusively open and close his positions with Saxo Bank. Moreover, off-exchange transactions may be less regulated or subject to a separate regulatory regime. Therefore, before undertaking such transactions, the client should familiarize himself with applicable rules and attendant risks.
- Foreign markets involve different risks from those arising from than European markets. The potential for profit or loss from CFDs relating to a foreign market or denominated in a foreign currency will be affected by fluctuations in foreign exchange rates. The client may incur a loss if exchange rates change to his detriment, even if the price of the instrument to which the CFD relates remains unchanged. The exchange rate risk is not incurred on the notional size of the position but only on the Profit & Loss as the notional value is not converted.
- CFDs are contingent liability transactions which are margined and require the client to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. Moreover, CFDs may only be settled in cash.

The client may sustain a total loss of his initial margin funds and any additional funds deposited with Keytrade Bank, to establish or maintain a position. If the market moves against him and/or margin requirements are increased, he may be called upon to pay substantial additional margin at short notice. Failing to comply with a request for a deposit of additional funds within the required time, may result in closure of the client’s position(s) on his behalf and he will be liable for any resulting loss or deficit. He will be deemed to have received a notice requiring the payment of such funds, even if he does not receive the messages left for him, if the notices are delivered to his nominated contact points.

- A CFD may still carry an obligation to make further payments under certain circumstances over and above any amount paid when the client entered into the contract. For example, this may occur when market conditions may not allow the execution of such an order (ex: during an opening gap or during a period of low liquidity). Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading in the underlying market is suspended or restricted.
- There is no clearing house for CFDs, and the performance of a CFD is not ‘guaranteed’ by an exchange or clearing house.
- Saxo Bank’s insolvency or default may lead to the positions being liquidated or closed out without the client consent. While in such circumstances any deposits lodged with the Saxo Bank would be totally protected as they are held on trust, any unrealized profits may not be fully recovered. The client would rank as an unsecured creditor of ours in relation to such unrealized profits.

C. Volatility of derivative markets

Financial markets can be highly volatile. The prices of CFDs and the underlying securities, currencies, commodities, financial instruments or indices may fluctuate rapidly over wide ranges, in reflection of unforeseen events or changes in conditions, none of which can be controlled by the client. The prices of CFDs will be influenced by the same unpredictable events that affect all financial instruments including a change in supply and demand relationships, governmental, agricultural, and commercial and trade programs and policies, national and international political and economic events and the prevailing psychological characteristics of the relevant marketplace.

D. Currency risk

Balances in currencies other than Euro may be maintained by the client on his account and, when requested by the client and/or necessitated by his trading, conversions between currencies will be made at an exchange rate no more than 0.5% less favorable to the client than the prevailing interbank mid-market spot rate at the time of the conversion. For example, if the client opens a CFD on Apple stock, it will be priced in US dollars. Any crystallized profit or loss on the CFD will be calculated first in US dollars and then converted into Euros (again, at an exchange rate no more than 0,5% less favorable to the client than the current interbank mid-market spot rate) before being allocated to his account. A crystallized profit or loss that is realized in a currency other than the client base account currency will be converted daily. If provided by Keytrade Bank, the client may choose to maintain his account in Euros or in US dollars or a number of other major currencies.

E. Counterparty risk

Since Keytrade Bank only acts as commission agent (“commissioinaire”/“comissionair”), Keytrade Bank assumes no liability to the client for non-performance by Saxo Bank (including due to a bankruptcy or any other similar situation involving a situation of competition among creditors. The risk of non-performance by, or failure of Saxo Bank is assumed by the client. Keytrade Bank may exculpate itself from any liability related to the selection of its counterparty for the conclusion of a contract by informing the client about the identity of the counterparty, i.e. Saxo Bank prior to the conclusion of such contract.

However, in the event of non-performance by, or failure of Saxo Bank, Keytrade Bank will remain obliged to use its best efforts to obtain compensation or restitution of any money or financial instrument for which Saxo Bank is liable due to the conclusion and/or execution of a contract on behalf of the client, and will credit the client’s account up to what Keytrade Bank will have been able to get from Saxo Bank (after deduction of any remuneration possibly due to Keytrade Bank and the costs incurred for these actions).

Keytrade Bank does not guarantee that the client will be entitled to compensation under the rules relating to the protection of deposits and financial instruments Saxo Bank may possibly be subjected to in its country, as the account opened with Saxo Bank will not be opened in the client’s name.

Contracts entered into with Saxo Bank may be terminated (and the resulting positions may be closed) automatically in case of failure of Saxo Bank or any other similar situation involving a situation of concursus creditorum among creditors of Saxo Bank.

F. Liquidity Risk

1. Liquidity Risk about CFD

The liquidity risk on a CFD is the risk that a CFD cannot be traded when the client want to buy or sell (to avoid a loss or make a profit). Due to low volume or low liquidity, the client's order or position might not be executed.

The interest of Saxo Bank and the interest of the investor is the same: to have liquid CFD products. If the Saxo Bank offers a CFD, it would always seek the maximum liquidity. Indeed, if the client would face bad liquidity on its CFD position, the Saxo Bank would find it difficult to hedge the risk that the position caused.

2. Liquidity Risk of Saxo Bank

Saxo Bank operates with a liquidity pool available at all times in the form of unencumbered, highly liquid securities and cash instruments to address the estimated potential cash needs during a liquidity crisis. Saxo Bank acknowledges the value of flexibility and the balance between the counterparty risks associated with holding cash during a liquidity crisis and the importance of being liquid during the first period of a liquidity crisis.

Saxo Bank operates with the following main liquidity objectives:

- ✓ Saxo Bank has the capacity to fulfill all payment obligations as and when they fall due to their full extent and in the currency required;
- ✓ Saxo Bank continues as a going concern under its current business model in case of increasing cost of funding or even lack of funding
- ✓ Saxo Bank prevent that funding costs rise to disproportionate levels

Saxo Bank has more obligations due on demand or within a short time frame than assets held by us maturing on demand or within a short time frame. In order to address this mismatch, Saxo Bank holds a buffer at all times in cash or cash like securities to meet any outgoing demands based on reasonable estimates. Furthermore, the Saxo Bank's policy requires keeping an appropriate liquidity pool available at all times to meet any other payment obligations in due time.

G. Leverage and margin

CFDs are traded on margin. This means that the client is able to leverage his investment by opening positions of larger size than the funds he has on his account on his account. The margin is the amount reserved on his trading account to cover any potential losses from an open CFD position. It is possible that a loss may exceed the required margin. Margin requirements vary from instrument to instrument and can be changed at tSaxo Bank's sole discretion to reflect market conditions. For larger re-ratings or changing of margin requirements for very popular instruments clients will be notified in advance where possible. Margin requirements by CFD type and instrument are always listed under the CFD Trading Conditions on the trading platforms but can also be seen on our website. Because of the effect of leverage and therefore the speed at which profits or losses can be incurred, it is important that the client monitors his positions closely. It is his responsibility to monitor his trades and while he has open trades he should always be in a position to do so. Upon opening a CFD, the client will be immediately required to make a payment of margin, which will be a set percentage of the value of the underlying transaction. The initial margin requirement must be placed on his account before a position is opened.

For example, the client buys a CFD of 10.000 ABC Group shares priced €1.00. For this deal, he is required to pay margin of 10%. The initial margin payment he makes is therefore €1.000 (10.000 x €1.00 x 10%).

The initial margin requirement for any particular equity CFD is calculated as a percentage of the value of the opening CFD.

Margin percentages for particular shares vary according to volatility and market conditions, and are normally between 5% and 100%.

The rating system for Stock Index Trackers and Single Stocks CFDS are as follows:

Rating	Leverage	Margin requirement	Product / Instrument
1	200:1*	0.5%	Stock Index Trackers
2	20:1*	5%	Single Stock CFD / ETF CFD
3	10:1	10%	Single Stock CFD / ETF CFD
4	6.67:1	15%	Single Stock CFD / ETF CFD
5	4:1	25%	Single Stock CFD / ETF CFD
6	2:1	50%	Single Stock CFD / ETF CFD
7	1.33:1	75%	Single Stock CFD / ETF CFD
8	0	100%	Single Stock CFD / ETF CFD

* This leverage is available for the first EUR 50,000 of combined CFD margin collateral (or equivalent). For collateral above this the required margin doubles.

Saxo Bank reserves the right to increase margin requirements for large position sizes, including client portfolios considered to be of very high risk. In extreme conditions or situations, percentage or per-contract margin requirements higher than those shown in the Contract Details may apply. The client will be notified of the further amount of money required to keep the CFD open if Saxo Bank changes the margin percentage on an open CFD.

The client should also be aware that if Saxo Bank increases margin rates; he may be required to deposit additional funds into his account to cover the increased margin rates. If he does not, he bank will be entitled to close all of his trades.

It is the responsibility of the client to constantly monitor his open positions to ensure that he retains sufficient funds to cover the margin on open positions. To assess whether he is due to pay margin, he must add up the margin requirements for all open positions on his account. If the sum of the cash on the client's account and of the value of his open positions is less than the margin requirements on his account, he will be required to fund the shortfall. The amount for which he will be liable to pay will be sufficient to ensure that he has completely covered the margin requirements for all open positions on his account. The client's current margin position (and any deficit) will be displayed on his secure session on Keytrade Bank's trading platform, or can be obtained from the

helpdesk of Keytrade Bank by telephone.

Keytrade Bank may contact (via e-mail/sms) the client to inform him that he is liable to make an additional margin payment (a 'margin call'); however Keytrade Bank's failure to make a margin call in no way negates his obligation to monitor his margin position and pay any shortfall. If he does not pay the shortfall immediately, the Addendum to the Keytrade Bank General Terms and Conditions relating to transactions on the Keytrade Pro Platform gives Keytrade Bank significant rights against the client that he should be fully aware of.

These rights include, but are not limited to, closing his open positions without prior notice to him. the bank is entitled to do so, as soon as the client has a margin shortfall – however large or small.

Payments of margin are not a cost, per se, but the client should be aware that the bank will not pay interest on margin payments.

Margin payments are required in the form of cleared funds in the bank account.

All CFDs have an underlying transaction value and deposits and margins are based on this. For example, a "buy" CFD on 10,000 ABC Group shares at €1.00 has a transaction value of €10.000 (€1.00 x 10.000). If the relevant deposit rate is 10% the required deposit would equal €1.000.

The margin requirements are marked to market ; if ABC Group share rises to €2 then the deposit needs to be €2.000 (the overall margin of course going down because of the geared latent profit).

Indeed, the margin deposit is a percentage (here 10%) of the nominal value. If the nominal value grows, the margin deposit also. Nevertheless, there will be no impact in terms of margin call because the account value will also grow as the margin will grow.

The margin requirements for stock index CFDs may be found on our website www.keytradebank.com/pro/ and also readily available in the trading station of the client under Trading Conditions.

H. Keytrade Bank as commission agent

Since Keytrade Bank only acts as commission agent ("commissioinaire"/"comissionair"), Keytrade Bank assumes no liability to the client for non-performance by Saxo Bank (including due to a bankruptcy or any other similar situation involving a situation of competition among creditors. The risk of non-performance by, or failure of Saxo Bank is assumed by the client. Keytrade Bank may exculpate itself from any liability related to the selection of its counterparty for the conclusion of a contract by informing the client about the identity of the counterparty, i.e. Saxo Bank prior to the conclusion of such contract.

IV. COMPANY INFORMATION

A. Keytrade Bank

Keytrade Bank is a credit institution under Belgian law and is based in Brussels registered in the Company register under n° 0464.034.340:

Boulevard du Souverain 100
1170 Bruxelles
Customer Service Tél. + 32 (0)2 / 679 90 00
Fax + 32 (0)2 / 679 90 01
info@keytradebank.com
www.keytradebank.com

Keytrade Bank has concluded an agreement of « commission » with Saxo Bank A/S, credit institution under Danish law. Pursuant to this agreement, Keytrade Bank undertakes to conclude with Saxo Bank the contracts of the clients on its name but on behalf of the client. Keytrade Bank ensures that clients have supplied all information and completed all account-opening documentation in order to open an account for the client in accordance with the applicable regulations. Keytrade Bank is a Belgian internet bank. Keytrade Bank is headquartered in Brussels and has subsidiaries in Luxembourg, Geneva (Switzerland) and Rotterdam (Netherlands). Keytrade Bank is market leader in Belgium for online transactions. .

Since January 2007 Keytrade Bank belongs to the Belgian Crelan which in turn half owned by the Crédit Agricole Group, one of the largest banking groups in Europe.

Keytrade Bank offers full traditional banking services, but also offers individuals the opportunity to invest in major world markets via the Internet.

Keytrade Bank has more than 180,000 customers, manages € 7.8 billion in client assets and has a capital of 88 million euros.

Crelan is a Belgian cooperative bank.

Crelan has a policy of sustainable and continuous growth. The bank offers a wide range of banking and insurance products for individuals, independent contractors and farmers. The bank conducts a sound policy based on cooperative values: transparency, sustainability, trust and commitment.

The Crelan Group is composed of Crelan and its subsidiaries: Crelan Insurance, banking niche Europabank and online bank Keytrade Bank.

The Group has 3,658 employees, 831 branches and 1.2 million customers.

Shareholders' equity amounts to € 1.1 billion.

B. Saxo Bank

Saxo Bank A/S is based in Copenhagen in Denmark. Saxo Banque offers more than 20.000 financial products such as FX, CFDs, Equities, Futures, Options, ETF... on more than 25 international stock exchanges including 9000 CFDs on a large number of individual shares of all major European, US stock indices and Asian stock exchanges. Saxo Banque also offers the ability to trade CFDs on FX, indices, commodities, bonds and shares.

C. Saxo Bank Group

Saxo Bank Group was founded in Denmark in 1992 and employs approximately 1.600 staff worldwide. It is an international investment bank specializing in online trading and investment across global financial markets. Saxo Bank Group enables private clients and institutional clients to trade on derivative and listed products as FX, CFDs, ETFs, Stocks, Futures, Options and other derivatives via multi-award winning online trading platforms: the browser-based SaxoWebTrader, the downloadable SaxoTrader and the SaxoMobileTrader application available in over 20 languages. In addition, Saxo Bank Group offers professional portfolio and fund management.

Safeguarding client information and securely controlling, executing and managing real-time internal systems are of utmost importance to the bank. A significant team of experienced IT professionals works diligently to firmly secure all of Saxo Bank's information and operating systems. Since 1992, Saxo Bank Group has

been a facilitator in the global capital markets aggregating liquidity, offering access to exchanges around the world and providing its powerful suite of products and platforms to private clients, institutions, banks and brokerages. A fully licensed and regulated European bank in Denmark, Saxo Bank Group supports a global base of individual retail clients, corporations and financial institutions from its headquarters in Denmark and numerous regional offices throughout Europe, Asia, Middle East, Latin America and Australia. The two co-CEOs and founders of Saxo Bank A/S are Kim Fournais and Lars Seier Christensen. Kristensen.

D. Financial Data

All the annual reports of Keytrade Bank are available for inspection (and copies can be obtained) on our website at the address: www.keytradebank.be.

Financial information for Saxo Bank Group is available through this link:

<http://be.saxobank.com/Documents/FR/documents-legaux/saxo-bank-annual-report-2011.pdf>

E. Auditor

Keytrade Bank's auditors are

KMPG
40 Avenue du Bourget
1130 Brussels
Belgium

Deloitte
Berkenlaan 8b
1831 Diegem
Belgium

The independent auditor's report can be obtained for Keytrade Bank at the following address: Boulevard du Souverain 100, 1170 Bruxelles, Belgique)

and for Saxo Bank Group at the following address:

<http://be.saxobank.com/Documents/FR/documents-legaux/saxo-bank-annual-report-2011.pdf>

V. CFD FEATURES

A. Definition

A Contract For Difference (CFD) is an agreement between two parties to exchange the difference in value of a particular financial instrument between the time at which the contract is opened and the time at which it is closed.

There is no actual ownership of the underlying asset. A CFD is therefore a derivative product where the bank is the counterparty to the trade. Since the contract is not exchange traded, the product is said to be OTC (Over-the-Counter).

A CFD is an investment product especially suited for risk seeking retail clients.

B. CFD main features

1. Leverage and margin

CFDs are traded on margin. This means that the client is able to leverage his investment by opening positions of larger size than the funds he has to place as margin collateral.

The margin is the amount reserved on the client's trading account to cover any potential losses from an open CFD position. It is possible that a loss may exceed the required margin.

Margin requirements vary from instrument to instrument and can be changed at any time to reflect market conditions. For larger re-ratings or changing of margin requirements for very popular instruments clients will be notified in advance where possible.

Margin requirements by CFD type and instrument are always listed under the CFD Trading Conditions on the trading platforms.

Please note that the bank reserves the right to increase margin requirements for large position sizes, including client portfolios considered to be of very high risk.

2. Wide range of assets

A broad range of markets and assets from Stocks, Stock indices, Commodities (not available at Keytrade Bank), ETFs, Forex (not available at Keytrade Bank) to Government Bonds (not available at Keytrade Bank).

3. Short selling

CFDs can be sold short, opening up the possibility of showing a profit in a falling market and the efficient hedging of current positions.

4. Interest received for a short position

Clients receive a financing interest charge when going short overnight. If the LIBID rate minus the relevant markup carries a negative interest.

Holding Short positions after 17:00 EST (New York time) creates a financing credit which is calculated as follows:

Index Value * Number of CFDs * (relevant Inter-Bank Bid Rate – 2.50%) * (Actual Number of Days/360 or Actual Number of Days/365). If relevant Inter-Bank Bid Rate is < 2.50% the client pays financing interest charge.

5. Scalability

CFDs on stock indexes and commodities (not available at Keytrade Bank) allow clients to trade much smaller contract sizes than the underlying futures contracts.

6. Overnight financing for a long position

Holding Long CFD Stock Index Tracker positions after 17:00 EST (New York time) incurs a financing charge which is calculated as follows:
 $\text{Index Value} * \text{Number of CFDs} * (\text{relevant Inter-Bank Offered Rate} + 3\%) * (\text{Actual Number of Days}/360 \text{ or Actual Number of Days}/365)$

7. No interest paid for intra-day trading

Only commission or spread is paid for intra-day position

8. Borrowing costs on short overnight positions

A borrowing cost may be applied to short Single Stock CFD positions held overnight. This borrowing cost depends on the liquidity of the underlying Stocks and may be zero (0) for high liquidity Stocks.

The specific borrowing rate for a Stock can be seen as the 'Borrowing Rate' under 'Account' > 'Trading Conditions' > 'CFD Stock/Index Instrument List' in the trading platforms.

When selling a CFD, the borrowing cost for holding the position overnight is shown in the CFD Trade module in the 'Estimated borrowing cost per day' field.

The borrowing rate will be fixed when the position is opened and will be charged on a monthly basis. Please be aware, that for certain corporate action events, the borrowing rate on the short position may be reset to the current rate in the market, upon the execution of the corporate action.

If the client opens and closes a CFD position within the same trading day, the client is not subject to borrowing costs. A borrowing cost may be applied to short Single Stock CFD positions held overnight. This borrowing cost is dependent on the liquidity of the underlying Stocks and may be zero (0) for high liquidity Stocks.

9. Money management orders

Take profit and stop loss orders are available to control and manage open positions.

10. Net Free Equity

To determine whether an account should receive or pay interest, Saxo Bank calculates the net interest-eligible value of the account at the end of each business day. This value is the Net Free Equity of the account.

The Account Value of an account is defined as the value-dated cash on account, adjusted for any unrealized profit and loss from open trades in margin instruments where the interest element of the profit or loss is not included in the daily processing. Applicable financing collateral required to support the client's open trades are deducted from the Account Value to derive the Net Free Equity amount.

Hence when the financing collateral required exceed the eligible collateral available, the client in effect becomes a net borrower. The client is then said to have negative Net Free Equity. Saxo Bank facilitates this borrow in an automated and seamless fashion. However, this negative balance is subject to an interest charge.

Here it is essential to understand that in the case of OTC products, Intrinsic Risk (and thereby margin requirement or leverage) is not aligned with financing collateral requirements. In other words, Saxo Bank may provide a level of leverage for the trading of a given instrument and may apply different collateral rates for the financing of the open positions in the same instrument.

It is important to note the risk management perspective (trading margin available) is different from the eligible collateral required for financing the positions (Net free equity ratio).

For the financing of open positions in OTC products, Saxo Banque applies the following margin rates:

Forex			CFDs on Single Stocks and ETFs/ETCs			Commodity CFDs		
Product	Currency	NFE margin	Product	Rating	NFE margin	Product	Rating	NFE margin
FX	USD	3%	CFD	2	10%	CFD	ALL	10%
FX	EUR	3%	CFD	3	10%			
FX	JPY	3%	CFD	4	15%			
FX	GBP	3%	CFD	5	20%			
FX	CHF	3%	CFD	6	25%			
FX	AUD	3%	CFD	7	25%			
FX	CAD	3%	CFD	8	25%			
FX	NOK	3%						
FX	NZD	3%						
FX	SGD	3%						
FX	SEK	3%						
FX	DKK	3%						
FX	HKD	6%						
FX	XAU	6%						
FX	HUF	6%						
FX	PLN	6%						
FX	XAG	6%						
FX	Other	12%						

Bond CFDs		
Product	Instrument	NFE margin
CFD	BOBL, SCHATZ, BUND	5%
CFD	BTP, OAT	10%

Stock Index Tracker CFDs		
Product	Rating	NFE margin
CFD	1	5%
CFD	Other*	10%

*Includes all expiring Index Tracker CFDs

Forex CFDs		
Product	Currency	NFE Margin
CFD	GBP, JPY, USD, AUD	5%
CFD	CHF	10%

Again, it is important to note that the NFE margin is different from the Trading Margin requirement. Please find some examples that illustrates this difference:

FX			
Product	Crosses	NFE margin	Margin risk requirement
FX	EURUSD	3%	0,5%
FX	GBPEUR	3%	1%
FX	USDJPY	3%	1%

CFDs on Single Stocks and ETFs			
Product	Rating	NFE margin	Margin risk requirement
CFD	2	10%	5%
CFD	3	10%	10%
CFD	4	15%	15%
CFD	5	20%	25%
CFD	6	25%	50%

When the client's account shows a negative Net Free Equity at the end of a given trading day, interest is calculated at a rate defined as the relevant market "ask" rate plus a mark-up on a daily basis and charged on a monthly basis.

In case the client's account shows a positive value as Net Free Equity and this value is in excess of EUR 15k (or equivalent), interest is calculated at a rate defined as the relevant market "bid" rate minus a mark-down on a daily basis and credited on a monthly basis.

For positive Net Free Equity equal or less than EUR 15k (or equivalent), no interest is paid.

Calculation Examples

Example 1

Client A only has one position and is long 20 DAX CFDs as follows:

Open Positions							
	Instrument	L/S	Amount	Open	Close	P/L	P/L in USD
	Germany 30	Long	20	8,115.01	8,193.50	1,570 EUR	2,084

The end of day account summary looks as follows:

Cash and Positions Summary		USD	Margin Summary		USD
Non-margin positions		0.00	Account value		102,084.22
Unrealised margin profit/loss		2,084.22	Other collateral		0.00
Cost to close		0.00	Not available as margin collateral		0.00
Unrealised value of positions		2,084.22	Used for margin requirements		-1,087.99
Cash Balance		100,000.00	Available for Margin Trading		100,996.23
Transactions not booked		0.00	Net Exposure		217,598.39
Account value		102,084.22	Exposure Coverage		46.9 %
			Margin Utilisation		1 %

As a result, we can show the Net Free Equity situation of the client as below:

Cash Balance: +USD 100,000

Profit/Loss from open positions in CFDs: +USD 2,084.22

Financing Collateral requirements: -USD 10,879.90 (20*8193.50*5%*1.32787)

= Net Free Equity = + USD 91,204.32

The client has a positive NFE balance which is subject to credit interest if applicable.

Example 2:

Client B has the following portfolio at the end of a given trading day:

Cash and Positions Summary		EUR	Margin Summary		EUR
Non-margin positions		0,00	Account value		99.287,09
Unrealised margin profit/loss		-712,91	Other collateral		0,00
Cost to close		0,00	Not available as margin collateral		0,00
Unrealised value of positions		-712,91	Used for margin requirements		-91.465,17
Cash Balance		100.000,00	Available for Margin Trading		39.821,92
Transactions not booked		0,00	Net Exposure		5.189.440,51
Account value		99.287,09	Exposure Coverage		1,9 %
			Margin Utilisation		60 %

The end of day account summary is shown below:

Open Positions									
	Instrument	L/S	Amount	Open	Close	P/L	P/L in EUR	% Price	
	Forex								
	EUR/USD	Long	5,000,000	1,39210	1,39195	-750 USD	-539	-0,01	
	CFD								
	Germany 30	Long	30	9,471,00	9,481,00	-200 EUR	-200	-0,11	

As a result, we can show the Net Free Equity situation of the client as below:

Cash Balance: +EUR 100000

Profit/Loss from open positions in CFDs only: -EUR 200 (the Forex Spot Position represents in this example a loss of EUR 539).

Financing Collateral requirements: -EUR 159461

i.e. $(5,0000,0000 \times 3\%) + (20 \times 9461 \times 5\%)$

= Net Free Equity = - EUR 59261

The difference between the Unrealised P/L in the Summary and the P/L in the open position represents a different indicative exchange rate.

The client now has a negative NFE balance which is subject to debit interest charged on a daily basis at the relevant ask rate plus a mark-up if applicable.

It is important to note that from a risk management perspective the client is effectively using 60% of the trading margin available whilst the eligible collateral required for financing the positions is insufficient, and an interest charge is applied.

Account Interest (Retail)

The following interest rates apply to funds deposited with Saxo Bank:

Net Free Equity above EUR 15,000 (or equivalent):

Interest paid on the full amount on the account is market bid rates minus 3%

Positive Net Free Equity up to EUR 15,000 (or equivalent):

No account interest

Negative Net Free Equity:

Interest will be charged at market ask (libor) rates plus 8%

C. CFD underlying assets

Keytrade Bank offers CFDs on single stocks, stock indexes and ETF.

CFDs are quoted in the currency of the underlying instrument. For example, a CFD on Fortis shares will be quoted in Euros whilst a CFD on IBM shares will be quoted in US dollars.

1. CFD Single stocks

A single stock CFD is a derivative product replicating the price of the underlying stock which gives the opportunity to take both long and short positions with leverage.

Examples:

✓ Short Position

1/ Short position with net profit

When the client expects the price of a stock to fall, he can choose to take a short position in a Single Stock CFD.

In this example, he expects the Umicore share price to fall from its current €41.00/€41.02 offer level. The client decides to sell at market 5.000 CFDs at the bid price of €41.00 which gives him a position of $(5.000 \times €41.00) = €205.000$ in notional value.

Financing costs are calculated on a daily basis and charged each end of month. The interest rate used is LIBID - 2.5% $(0.26561\% - 2.5\% = -2.23439\%)$. Since the rate is negative you effectively have to pay 2.23439% overnight financing. 10 days later, the Umicore stock price has fallen to €35 and the client decides to buy at market 5.000 CFDs Umicore.

The trade details are summarized in the table below.

	How to calculate	Amount (€)
Notional transaction Value	$5.000 \times €41,00$	205.000
Margin used	$€205.000 \times 0,05$	10.250
Trade commission	$€205.000 \times 0,10\%$	-205
Overnight costs	$2,23439\% \times 10 \text{ days} \times €205.000 / 360$	-127,22
Notional transaction Value	$5.000 \times €35$	175.000
Trade commission	$€175.000 \times 0,10\%$	-175
Trade gain	$€205.000 - €175.000$	30.000

Total costs	€205+ €127,22 + €175	-507,22
Total gains	€30.000 - €507,22	29.492,78

2/Short position with net loss

In this example, the client expects the Umicore share price to fall but the share price will rise. The client decides to sell at market 5,000 CFDs at the bid price of €41 which gives a position of (5,000*€41) €205,000 in notional value.

Financing costs are calculated on a daily basis and charged each end of month. The interest rate used is LIBID – 2.5% (0.26561%-2.5% = -2.23439%). Since the rate is negative you effectively have to pay 2.23439% overnight financing.

10 days later, the Umicore share price has risen to €43 and the client decides to buy 5,000 CFDs.

The trade details are summarized in the table below:

	How to calculate	Amount (€)
Notional transaction Value	5,000 x €41.00	205,000
Margin used	€205,000 x 0.05	10,250
Trade commission	€205,000 x 0.10%	-205
Overnight costs	2.23439% x 10 days x €205,000 / 360	-127.22
Notional transaction Value	5,000 x €43	215,000
Trade commission	€215,000 x 0.10%	-215
Trade loss	€215,000 – €205,000	-10,000
Total costs	€205 + 127.22€ + €215	- 547.22
Total losses	€10.000 + €547.22	-10.547,22

✓ Long Position

1/ Long position with net profit

When the client expects the price of a stock to go up, he can choose to take a long position in a Single Stock CFD.

In this example, the client expects the Sanofi share price to rise from its current price of €66.50 bid / €66.53 ask. The client decides to buy 1.000 CFDs at the asked price of €66.53 which gives him a position of (1.000*€66.53) €66.530 in notional value.

Financing costs are calculated on a daily basis and charged each end of month. The interest rate used is LIBOR+3% (0, 27144%+3% = 3.27144%).

10 days later, the Sanofi price has risen to €70, 53 and the client sells his 1.000 CFDs.

The trade details are summarized in the table below:

	How to calculate	Amount (€)
Notional transaction Value	1.000 x €66,53	66.530
Margin used	€66.530 x 0,05	3.326
Trade commission	€66.530 x 0,10%	-66,53
Overnight costs	3,27144% x 10 days x €66.530 / 360	-60,45
Notional transaction Value	1.000 x €70,53	70.530
Trade commission	€70.530 x 0,10%	-70,53
Trade gain	€70.530 - €66.530	4.000
Total costs	€66,53 + €60,45+ €70,53	-197,51
Total gains	€4.000 - €197,51	3.802,49

2/ Long position with net loss

If the price of a stock goes down whereas the client expected the price goes up by taking a long position, the client will realize a loss on his long position in a Single Stock CFD.

In this example, the client expects the Sanofi share price to RISE from its current price is €66.50 bid / €66.53. The client decides to buy 1,000 CFDs at €66.53 which gives him a position of (10,000*€66.53) €66,530 in notional value.

Financing costs are calculated on a daily basis and charged each end of month. The interest rate used is LIBOR+3% (0.27144%+3% = 3.27144%).

10 days later, the Sanofi share price has fallen to €64.53 and the client decides to sell at market his 1,000 CFDs.

The trade details are summarized in the table below:

	How to calculate	Amount (€)
Notional transaction Value	1,000 x €66.53	66,530
Margin used	66,530 x 0.05	3,326
Trade commission	€66,530 x 0.10%	-66.53

Overnight costs	$3.27144\% \times 10 \text{ days} \times \text{€}66530 / 360$	-60.45
Notional Transaction Value	$10,000 \times \text{€}64.53$	64,530
Trade commission	$\text{€}64,530 \times 0.10\%$	-64.53
Trade Loss	$\text{€}66,530 - \text{€}64,530$	-2,000
Total costs	$\text{€}66.53 + \text{€}60.45 + \text{€}64.53$	-191.51
Total Losses	$\text{€}2,000 + \text{€}191.51$	-2,191.51

2. CFD Exchange-traded funds

ETF stands for Exchange Traded Funds listed and traded on a stock exchange. ETFs generally aim to track the performance of an underlying benchmark, be it an equity index, fixed income index or any pre-defined basket of securities. ETFs can track the positive or negative performance of the underlying benchmark. Exchange-traded funds CFD allow the client to trade ETF with increased leverage. As a single stock CFD, an exchange-traded fund CFD can receive a dividend adjustment if the listed company decides to give a dividend.

Example:

✓ Short Position

1/ Short position with net profit

DELTA Tracker is quoted on Euronext Paris at €10/€10.01 and the client thinks the price is going to fall. The margin percentage requirement for this CFD ETF is 5%. He sells at market 2.000 DELTA Tracker CFDs for a nominal value of €20.000. The commission is €20 ($0.1\% \times 20.000$) and the margin requirement is €1.000 ($5\% \times 20.000$).

Interest costs are calculated daily on client overnight positions by applying the applicable interest rate to the daily closing value of the position. The daily closing value is the number of trackers multiplied by the closing price. In this example, the interest rate is 1% (LIBID – 25%) and the closing price of the DELTA Tracker of €8.98/€9 for the first day. The closing nominal value is now of €18.000 ($\text{€}9 \times 2.000 \text{ CFD}$) and the interest rate of €0,5 ($\text{€}9 \times 2.000 \times 1\% \times 1/360$). Moreover, DELTA Tracker gives a dividend of €0,15 per share.

Because the client has taken a short position, client's account is credited to reflect interest adjustments and debited to reflect any dividends.

The next day, DELTA Tracker is quoted on Euronext Paris at €7.98/€8 and he decides to close his position, to buy at market 2.000 CFDs DELTA Tracker for a nominal value of €16.000. The commission is €16 ($0,1\% \times 16.000$). The client position is now flat with a gross profit equal to €4.000 (except commission, dividends and interest adjustment).

Gross profit	€4.000
Total commission	-€36
Interest Adjustment	€0,5
Dividend adjustment	-€300
Net profit	€3.664,5

2/ Short position with net loss

DELTA Tracker is quoted on Euronext Paris at €10/€10.01 and the client thinks the price is going to fall. The margin percentage requirement for this CFD ETF is 5%. He sells at market 2.000 DELTA Tracker CFDs for a nominal value of €20.000. The commission is €20 ($0.1\% \times 20.000$) and the margin requirement is €1.000 ($5\% \times 20.000$).

Interest costs are calculated daily with an interest rate of 1% (LIBID – 2.5%) and the closing price of DELTA Tracker of €11 for the first day. The closing nominal value is now of €22,000 ($\text{€}11 \times 2,000 \text{ CFD}$) and the overnight costs are €0.61 ($\text{€}11 \times 2,000 \times 1\% \times 1/360$). Moreover, DELTA Tracker gives a dividend of €0.15 per share.

Because the client has taken a short position, his account is credited to reflect interest adjustments and debited to reflect any dividends.

The next day, DELTA Tracker CFD is quoted on Euronext Paris €11.97/€12 and he decides to close his position, to buy at market 2,000 CFDs DELTA Tracker for a nominal value of €24,000. The commission is €24 ($0.1\% \times 24,000$). His position is now flat with a loss equal to €4,000 (except commission, dividends and interest adjustment).

Loss on trade	-€4,000
Total commission	-€44
Interest Adjustment	€0.61
Dividend adjustment	-€300
Net Loss	-€4,343.4

✓ Long Position

1/ Long Position with net profit

BETA Tracker is quoted on Euronext Paris €19.90/€20 and the client thinks it price is going to rise. The margin percentage requirement for the CFD BETA Tracker is 10%. He buys at market 5.000 CFDs at market for a nominal value of €100.000. The commission is €100 ($0.1\% \times 100.000$) and the margin requirement is €10.000 ($10\% \times 100.000$).

Interest costs are calculated daily on his overnight positions by applying the applicable interest rate to the daily closing value of the position. The daily closing

value is the number of shares multiplied by the closing price. In this example, the interest rate is 4% (LIBOR + 3%) and the closing price of BETA Tracker is €21/€21.02 for the first day. The closing nominal value is now of €105.000 (€21 * 5.000CFD) and the overnight costs are €11.67 (€21 * 5,000 * 4% * 1/360).

Because the client has taken a long position, his account is debited to reflect interest adjustments.

The next day, BETA Tracker is quoted on Euronext Paris €22/€22,02 and he decides to close his position, to sell at market 5.000 CFDs BETA Tracker CFDs for a nominal value of €110.000. The commission is €110 (0,1% * 110.000). His position is now flat with a gross profit equal to €10.000 (except commission, dividends and interest adjustment).

Gross profit	€10.000
Total commission	-€210
Interest Adjustment	-€11,67
Net profit	€9.778,33

✓ 2/ Long Position with net loss

BETA Tracker is quoted on Euronext Paris €19.90/€20 and the client thinks it price is going to rise. The margin percentage requirement for this CFD is 10%. He buys at market 5.000 CFDs BETA Tracker for a nominal value of €100.000. The commission is €100 (0.1 % * 100,000) and the marge requirement is €10,000 (10%*100,000). The closing price intraday of BETA Tracker is €19/€19.15 and he decides to close his position the same day e.g. to sell 5,000 CFDs BETA Tracker at market for a nominal value of €95,000. The commission is €95 (0.1% * 95,000). His position is now flat with a loss equal to €5,000.

Loss on trade	-€5,000
Total commission	-€195
Net loss	-€5,195

3. CFD Stock index

Index CFDs are over-the-counter products with a price established by the bank. Index CFDs aim to reflect the price of the underlying index, but the actual bid and ask price may differ slightly from the actual index level. The spread may vary because of volatile market conditions and liquidity risk.

Example

✓ Short Position

1/ Short Position with net profit

CFD CAC40 index is quoted at 3,000/3,002 points and the client thinks it's going to fall. The value of the CFD CAC40 is calculated 1 point equals 1 euro. The margin percentage requirement for Index Tracking CFD is 0,5% . He sells at market 100 CAC40 CFD for a nominal value of €300.000. The margin requirement is €1.500 (0,5%* 300.000).

Interest costs are calculated daily on his overnight positions by applying the applicable interest rate to the daily closing value of the position. The daily closing value is the number of CFD multiplied by the closing price. In this example, the interest rate is 1% (LIBID – 2.5%) and the closing price of CFD CAC40 is 2.973/2.975 points for the first day. The closing nominal value is now of €297,500 (€2.975*100 CFD) and the overnight costs are €8.26 (€2.975*100*1%*1/360). Moreover, a Company that belongs to the CAC40 gives a dividend &equal to €1 per Index.

Because the client has taken a short position, his account is credited to reflect interest adjustments and debited to reflect any dividends.

The next day, CFD CAC40 is quoted at 2,948/2,950 points and the client decides to close his position, to buy at market 100 CAC40 CFDs for a nominal value of €295,000. His position is now flat with a gross profit equals to €5.000 (except dividends and interest adjustment).

Gross profit	€5.000
Interest Adjustment	€8,26
Dividend adjustment	-€100
Net profit (excluded spread)	€4,908.26

2/ Short Position with net loss

CFD CAC40 index is quoted at 3,000/3,002 points. This time, CAC40 index goes up whereas the client expected it to go down. The client sells 100 CAC40 CFDs at market for a nominal value of €300,000. The margin requirement is €1,500 (0.5%* 300,000).

Interest costs are calculated daily on his overnight positions by applying the applicable interest rate to the daily closing value of the position. The daily closing value is the number of CFD multiplied by the closing price. In this example, the interest rate is 1% and the closing price of CAC40 is 3,023/3,025 points for the first day. The closing nominal value is now of €302,500 (€3,025*100CFD) and the overnight costs are €8.40(€3,025*100*1%*1/360). Moreover, a Company that belongs to the CAC40 gives a dividend equal to €1 per Index.

Because the client has taken a short position, his account is credited to reflect interest adjustments and debited to reflect any dividends.

The next day, CFD CAC40 is quoted at 3,048/3,050 points and the client decides to close his position, to buy at market 100 CAC40 CFDs for a nominal value of €305,000. His position is now flat with a loss equal to €5,000 (except dividends and interest adjustment).

Loss	-€5,000
Interest adjustment	€8.40

Dividend adjustment	-€100
Net loss(excluded spread)	-€5,091.60

✓ Long Position

1/ Long Position with net profit

CFD CAC40 is quoted at 3,498/3,500 points and the client thinks it's going to rise. The margin percentage requirement for Index Tracking CFDs is 0,5%. The client buys at market 200 CAC40 CFDs for a nominal value of €700.000 (200*3,500). The margin requirement is €3.000 (0.5%*700.000). Interest costs are calculated daily on his overnight positions by applying the applicable interest rate to the daily closing value of the position. The daily closing value is the number of CFDs multiplied by the closing price. In this example, the interest rate is 3% and the CFD CAC 40 closing is 3,348/3.550 points for the first day. The closing nominal value is now of €710.000 (€3,550*200CFD) and the overnight costs are €59.17(€3, 550*200*3%*1/360). Because the client has taken a long position, his account is debited to reflect interest adjustments. The next day, CAC40 is quoted 3,600/3,602 points and the client decides to close his position, to sell at market 200 CAC40 CFDs for a nominal value of €720.000. His position is now flat with a gross profit equal to €20.000 (except dividends and interest adjustment).

Gross profit	€20.000
Interest Adjustment	-€59,17
Net profit(excluded spread)	€19.940,83

2/ Long Position with net loss

CFD CAC 40 is quoted at 3,498/3,500 points but, this time, CAC40 will go down whereas the client expects it to go up. He buys at market 200 CAC40 CFDs for a nominal value of €700,000. The margin requirement is €3,000 (0.5%*700,000). The client decides to close his position the same day at 3,450 points. So, his closing nominal value is €690,000 (€3,450*200CFD). Moreover, a Company that belongs to the CAC40 index gives a dividend equal to €1 per Index. Because the client has taken a long position, his account is credited to reflect any dividends. He receives €200 in dividend. His position is now flat with a loss equal to €10,000 (except dividends and interest adjustment).

Loss on trade	-€10,000
Dividend adjustment	€200
Net loss (excluded spread)	-€9,800

4. CFD Commodities (not available on Keytrade Pro platform)

Commodity CFDs are over-the-counter products with a price established by the bank. Commodity CFDs aim to reflect the price of the underlying commodity, but the actual bid and ask price may differ slightly from the actual commodity level. The spread may vary because of volatile market conditions and liquidity risk

Commodity CFDs track the price of the underlying futures contract. Commodity CFDs provide traders with an alternative to trading on Futures exchanges, with lower margin requirements. This reduced entry level, combined with lower trade unit sizes means flexible trading across the global commodities markets. Moreover, there is no need to roll CFD positions overnight and no financing charge is debited /credited from the initial opening price. At the expiration date, the CFD commodity is closed automatically by the Bank but the client can close his position on CFD commodity before the expiration date.

Examples:

✓ Short Position

1/ Short Position with net profit

US CRUDE September CFD is quoted at \$100/\$100.07 and the client thinks the price of US CRUDE September is going to fall. The margin percentage requirement for this commodity CFDs is 5%. The client sells at market 1,000 US CRUDE September CFD for a nominal value of \$100.000. The margin requirement is \$5,000 (5%*100.000). There is no interest adjustment on commodity CFD but there is an expiry date. Five days later, US CRUDE September CFD is quoted at \$89.93/\$90 and he decides to close his position, to buy at market 1.000 US CRUDE September CFDs for a nominal value of \$90.000. His position is now flat with a gross profit equal to \$10.000 (except spread).

Gross profit	\$10.000
Net profit (excluded spread)	\$10,000

2/ Short Position with net loss

US CRUDE September CFD is quoted at \$100/\$100.07 and the client thinks that the price of US CRUDE September is going to fall. The margin percentage requirement for this commodity CFDs is 5%. The client sells at market 1,000 US CRUDE September CFD for a nominal value of \$100,000. The margin requirement is \$5,000 (5%*100,000). There is no interest adjustment on commodity CFD but there is an expiry date. Five days later, US CRUDE September CFD is quoted at \$104.93/\$105 and the client decides to close his position, to buy at market 1,000 US CRUDE September CFD for a nominal value of \$105,000. His position is now flat with a loss equal to \$5,000 (except spread).

Loss on trade -\$5,000
Net loss (excluded spread) -\$5,000

✓ Long Position

1/ Long Position with net profit

WHEAT December CFD is quoted at \$9.98/\$10 and the client thinks that WHEAT December it's going to rise. The margin percentage requirement for this commodity CFD is 10%. The client buys 5,000 WHEAT December CFDs for a nominal value of \$50,000. The margin requirement is \$5,000 (10%*50,000). There is no interest adjustment on commodity CFDs but there is an expiry date.

Five days later, WHEAT December CFD is quoted at \$11/\$11.02 and the client decides to close his position, to sell at market 5,000 WHEAT December CFDs for a nominal value of \$55,000. His position is now flat with a gross profit equal to \$5,000.

Gross profit	\$5,000
Net profit (excluded spread)	\$5,000

2/ Long Position with net loss

WHEAT December CFD is quoted at \$9.98/\$10 and the client thinks that WHEAT December it's going to rise. The margin percentage requirement for this commodity CFDs is 10%. The client buys at market 5,000 WHEAT December CFD for a nominal value of \$50,000. The margin requirement is \$5,000 (10%*50,000). There is no interest adjustment on commodity CFD but there is an expiry date.

Five days later, WHEAT December CFD is quoted at \$9/\$9.02 and the client decides to close his position, to sell at market 5,000 WHEAT December CFD for a nominal value of \$45,000. His position is now flat with a loss equal to \$5,000.

Loss on trade	-\$5,000
Net loss (excluded spread)	-\$5,000

5. CFD Forex (not available on Keytrade Pro platform)

FX CFDs are over-the-counter products with a price established by the bank. FX CFDs aim to reflect the price of the underlying FX, but the actual bid and ask price may differ slightly from the actual FX level. The spread may vary because of volatile market conditions and liquidity risk

FX CFDs track the price of the underlying futures contract. FX CFDs provide traders with an alternative to trading on Futures exchanges, with lower margin requirements. This reduced entry level, combined with lower trade unit sizes means flexible trading across the global FX markets. Unlike trading FX on spot there is no need to roll CFD positions overnight and no financing charge is debited /credited from the initial opening price.

Examples:

✓ Short Position

1/ Short Position with net profit

EUR/USD December CFD is quoted at \$1.2500/\$1.2502 and the client thinks EUR/USD December price is going to fall. The margin percentage requirement for Forex CFDs is 0.5%. The client sells at market 100,000 EUR/USD December CFDs, for a nominal value of \$125,000. The margin requirement is \$625 (0.5%*125,000). There is no interest adjustment on Forex CFD but there is an expiry date.

Two days later, EUR/USD December CFD is quoted at \$1.2398/\$1.2400 and he decides to take his profit, e.g. to close his position so to buy at market 100,000 EUR/USD December CFDs for a nominal value of \$124,000. His position is now flat with a gross profit equal to \$1,000

Gross profit	\$1,000
Net profit (excluded spread)	\$1,000

2/ Short Position with net loss

EUR/USD December CFD is quoted at \$1.2500/\$1.2502 and the client thinks EUR/USD December price is going to fall whereas it will go up. He sells at market 100,000 EUR/USD December CFDs, for a nominal value of \$125,000. The the margin requirement is \$625 (0.5%*125,000). There is no interest adjustment on Forex CFD but there is an expiry date.

Two days later, EUR/USD December CFD is quoted at \$1.2598/\$1.2600 and the client decides to limit his loss, to close his position so to buy 100,000 EUR/USD December CFDs for a nominal value of \$126,000. His position is now flat with a gross loss equal to \$1,000

Loss on trade	-\$1,000
Net loss (excluded spread)	-\$1,000

✓ Long Position

1/ Long Position with net profit

EUR/USD December CFD is quoted at \$1.2598/\$1.2600 and the client thinks it's going to rise. The margin percentage requirement for Forex CFDs is 0.5%. He buys at market 200,000 EUR/USD December CFDs, for a nominal value of \$252,000. The the margin requirement is \$625 (0.5%*125,000). There is no interest adjustment on Forex CFDs but there is an expiry date.

Two days later, EUR/USD December CFD is quoted at \$1.2650/\$1.2652 and he decides to close his position, to sell at market 200,000 EUR/USD December CFDs for a nominal value of \$253,000. His position is now flat with a gross profit equal to \$1,000.

Gross profit	\$1.000
Net profit (excluded spread)	\$1.000

2/ Long Position with net loss

EUR/USD December CFD is quoted at \$1.2598/\$1.2600 and the client thinks it's going to rise. The margin percentage requirement for Forex CFDs is 0.5%. He buys at market 200.000 EUR/USD December CFDs, for a nominal value of \$252,000. The margin requirement is \$625 (0.5%*125,000). There is no interest adjustment on Forex CFD but there is an expiry date.

Two days later, EUR/USD December CFD is quoted at \$1.2550/\$1.2552 and the client decides to sell at market 200.000 EUR/USD December CFDs for a nominal value of \$251,000. His position is now flat with a gross loss equal to \$1,000.

Loss on trade	-\$1,000
Net loss (excluded spread)	-\$1,000

6. CFD Bonds(not available on Keytrade Pro platform)

Bonds CFDs are over-the-counter products with a price established by Saxo Bank. Bonds CFDs aim to reflect the price of the underlying bonds, but the actual bid and ask price may differ slightly from the actual bond level. The spread may vary because of volatile market conditions and liquidity risk

Bond CFDs track the price of the underlying futures contract. Bond CFDs provide traders with an alternative to trading on Futures exchanges, with lower margin requirements. There is no need to roll CFD positions overnight and no financing charge is debited /credited from the initial opening price.

Examples:

✓ Short Position

1/ Short Position with net profit

German Government 10 year Bund December CFD is quoted at €137.70/€137.73 and the client thinks it's going to fall. The margin percentage requirement for this Bund CFD is 1%. He sells at market 1.000 German Government 10 year Bund December CFD, for a nominal value of €137.700. The margin requirement is €1.377 (1%*137.700). There is no interest adjustment on Bund CFD but there is an expiry date.

Two days later, German Government 10 year Bund December CFD is quoted at €136.97/€137.00 and he decides to close his position so to buy at market 1.000 German Government 10 year Bund December CFD for a nominal value of €137.000. His position is now flat with a gross profit equal to €700.

Gross profit	€700
Net profit (excluded spread)	€700

2/ Short Position with net loss

German Government 10 year Bund December CFD goes up whereas the client expected it to go down. He sells 1.000 German Government 10 year Bund December CFD for a nominal value of €137.700. The margin requirement is €1,377 (1%*137.700). There is no interest adjustment on this CFD but there is an expiry date.

Two days later, German Government 10 year Bund December CFD is quoted at €138.67/€138.70 and the client decides to limit his loss, to close his position so to buy at market 1.000 German Government 10 years Bund December CFD for a nominal value of €138.700. His position is now flat with a gross loss equal to €1.000.

Loss on trade	-€1,000
Net loss (excluded spread)	-€1,000

✓ Long Position

1/ Long Position with net profit

German Government 10 year Bund December CFD is quoted at €137.97/€138.00 and the client thinks that the price it's going to rise. The margin percentage requirement for this CFD is 1%. He buys at market 1.000 German Government 10 year Bund December CFD for a nominal value of €138.000. The margin requirement is €1.380 (1%*138.000). There is no interest adjustment on this CFD but there is an expiry date.

Two days later, EUR/USD December CFD is quoted at €140.00/€140.03 and he decides to close his position, to sell at market 1.000 German Government 10 years Bund December CFD for a nominal value of €140.000. His position is now flat with a gross profit equal to €2.000

Gross profit	€2.000
Net profit (excluded spread)	€2.000

2/ Long Position with net loss

German Government 10 year Bund December CFD is quoted at €137.97/€138,00 and the client thinks the price it's going to rise. The margin percentage requirement for this CFD is 1%. He buys at market 1.000 German Government 10 year Bund December CFD for a nominal value of €138.000. The margin requirement is €1.380 (1%*138.000). There is no interest adjustment on this CFD but there is an expiry date.

Two days later, German Government 10 year Bund December CFD is quoted at €136.00 and the client decides to sell at market 1.000 German Government 10 years Bund December CFD for a nominal value of €136.000. His position is now flat with a gross loss equal to €2.000.

Loss on trade	-€2.000
Net loss (excluded spread)	-€2.000

VI. CFD TRADING

A. The trading platforms

A trading account enables clients to take control of their trading by managing their entire portfolio from a single account through the white-labelled platform of Saxo Bank (developed by Saxo Bank), i.e. Keytrade Pro's trading platform: Keytrade Pro Trader platform, Keytrade Pro WebTrader or (when available) Keytrade Pro MobileTrader.

All the information regarding the functioning of trading platforms (color coded trade buttons, active trading operations...) is available directly on the trading platform through the button "Help".

Furthermore, the client can join directly client's services when needed.

1. Keytrade ProTrader

This platform is fully downloadable. SaxoTrader provides traders with access to all of the market information, technical tools and features required to trade successfully.

2. Keytrade ProWebTrader

Providing traders with 24 hour access to markets, the SaxoWebTrader is a web based platform, requiring no download or installation and accessible from anywhere in the world. The SaxoWebTrader offers full interface customization, allowing individuals to choose from an array of charts, prices, market research, data sources and news feeds.

3. Keytrade Pro MobileTrader

When provided by Keytrade Bank, the client can take his trading with him by utilizing the SaxoMobileTrader, a portable yet comprehensive platform accessible through his mobile phone. The SaxoMobileTrader establishes an environment in which positions, open orders, investment news and account status can be monitored.

B. Available Orders

1. Limit orders

Limit orders are commonly used to enter a market and to take profit at predefined levels.

- ✓ Limit orders to buy are placed below the current market price and are executed when the Ask price hits or breaches the price level specified. (If placed above the current market price, the order is filled instantly at the best available price below or at the limit price.)
- ✓ Limit orders to sell are placed above the current market price and are executed when the Bid price breaches the price level specified. (If placed below the current market price, the order is filled instantly at the best available price above or at the limit price.)

When a limit order is triggered, it is filled as soon as possible at the price obtainable on the market. The price at which the order is filled may differ from the price the client sets for the order if the opening price of the market is better than his limit price. In the case of Futures, the order will be filled if possible, and any remaining volume will remain in the market as a limit order. In the case of CFDs, the order will be filled if possible, and any remaining volume will remain in the market as a limit order.

2. Stop Orders

Stop orders are commonly used to exit positions and to protect investments in the event that the market moves against an open position.

- ✓ Stop orders to sell are placed below the current market level. Stops on single stock CFDs are executed when the stop price is traded. Stops on Commodity/Index CFDs are executed when the Bid price hits or breaches the price level specified.
- ✓ Stop orders to buy are placed above the current market level. Stops on single stock CFDs are executed when the stop price is traded. Stops on Commodity/Index CFDs are executed when the Ask price hits or breaches the price level specified.

But stop orders may be executed below the price specified by the clients for a long position and above the level specified for a short position when there is a high volatility or a gap at the market opening.

3. Stop Limit Order

A Stop Limit order will be executed at a specified price (or better) after the specified Stop Price has been reached. Once the Stop Price is reached, the Stop Limit order becomes a Limit order to buy (or sell) at the Limit Price or better.

4. Trailing Stop order

A Trailing Stop Order is a stop order with a trigger price which evolves with the spot price. If the market rises (for long positions), the stop price increases with the proportion defined by the user, but if the market is down, the stop price remains unchanged. This type of stop order allows the client to cap potential losses without limiting the possible gain on a position. It also reduces the need to constantly monitor market prices of open positions.

5. Related orders

Several types of related orders are available. An If Done order consists of two orders: A primary order that will be executed as soon as market conditions allow it, and a secondary order that will be activated only if the first one is executed. A One Cancels the Other (O.C.O.) order consists of two orders. If either one of the orders is executed, the related order is automatically cancelled. 3-way contingent orders are where 2 orders are placed if a primary (If done) order is executed. These orders are themselves related as O.C.O. orders allowing both a stop loss and a profit taking order to be placed around a position.

C. CFD Trading hours

- Single Stock CFD:

Same trading hours than the underlying stock trading hours

- ETF CFD:

Same trading hours than the underlying ETF trading hours

- Forex CFD

Same trading hours than the underlying future forex trading hours

- Commodity CFD

Same trading hours than the underlying future commodity trading hours

- Bond CFD

Same trading hours than the underlying future bond trading hours

- Stock Index Tracker

Stock Index Tracker Name	Trading hours*
US Tech 100 NAS	22 hours (18:01 - 16:00)
US 30 Wall Street	22 hours (18:01 - 16:00)
US SPX500	22 hours (18:01 - 16:00)
Germany 30	08:01 - 21:55
UK 100	01:01 - 20:55
France 40	08:01 - 21:55
Australia 200	10:10 - 16:25
Switzerland 20	08:01 - 21:55
Italy 40	09:01 - 17:25
Spain 35	09:01 - 19:55
EU Stocks 50	08:01 - 21:55
Japan 225	09:01 - 00:30
Hong Kong	09:16 - 16:10
Netherlands 25	08:01 - 21:55
Sweden 30	09:01 - 17:25
Norway 25	09:10 - 17:20
Belgium 20	09:10 - 17:30
Denmark 20	09:10 - 16:55
UK Mid 250	08:10 - 16:30
Germany Tech 30	09:10 - 17:30
Germany Mid-Cap 50	09:10 - 17:30

Exchange											
HSI.I – Hang Seng - Trading Hours	09.16	Trading	12.00	Break	13.00	Trading	16.10	Break	17.00	Trading	22.55
NI225.I – Japan 225 - Trading Hours	08.46	Trading	15.25	Break	16.15	Trading	02.55				
ASXSP200.I – Australia 200 - Trading Hours	09.51	Trading	16.25	Break	17.10	Trading	05.55				

*Trading hours are stated in the local hours of the underlying exchange - please note that the Hong Kong trading session has a mid-session break between 12:00-13:00 and an evening break between 16:10-17:00, the trading session in Japan has a break between 3:25 pm and 4:15 pm and in Australia there is a break between 16:25 and 17:10:

In some cases shorter opening hours may apply on days which are public holidays in the relevant jurisdiction.

See updated information on <https://www.keytradebank.com/pro/>

D. CFD prices

Most of CFDs prices depend on the underlying asset and the spread applied by the bank which is likely to be impacted by market volatility and liquidity. The CFD's prices are fixed for each instrument as follows:

- Single Stock and ETF CFD prices

Same bid and ask prices as the underlying single stock and ETF.

- Stock Index Tracker CFD

Stock indexes CFD are based on the underlying future with the nearest maturity + cash index basis + bank's spread.

The cash index basis is the difference between the cash index (ex: CAC40) and the underlying future index with the nearest maturity (ex: FCE CAC40 Index).

The client can have access to any information about the CFD' underlying products by calling at any moment the client service desk.

Index CFDs are over-the-counter products with a price established by Saxo Bank. Index CFDs aim to reflect the fair value of the underlying index, but the actual bid and ask price may differ slightly from the actual index level. The spread may vary because of volatile market conditions and liquidity risk.

E. CFD costs

The complete list of costs associated with CFD is detailed below.

ASSETS			
FEES	Single Stock	Stock Index	ETF
Commission	X		X
Spread		X	
Overnight Financing	X	X	X
Dividend adjustment	X	X	X
Borrowing costs	X		X
Liquidity costs	X	X	X
Live exchange data	X		X

1. Commissions on CFDs

- Single Stock, ETF CFD Prices
Similar to Single Stock CFDs for ETF CFDs trades below the 'Minimum Commission Threshold', a Minimum Ticket fee is charged. Minimum Ticket fees are listed under the "CFD Stock Trading Conditions" on the trading platforms. Single STOCK, ETF / ETC CFDs are priced the same way, i.e. when trading Single Stocks, ETF / ETC CFDs the client pay a fixed commission in percentage (%) on the notional value of the trade with a minimum for small trade sizes. For North American exchanges commission is calculated as cents per contract.

Minimum ticket fee: CFDs for Single Stock, ETF trades below the 'Minimum Commission Threshold', a Minimum Ticket fee is charged. Minimum Ticket fees are listed under the "CFD Stock Trading Conditions" on the trading platforms.

- Stock Index Tracker CFD Prices
At Saxo Bank Index-tracking CFDs are traded at a minimum spread, which is defined as the spread you will see under normal market conditions. Volatile market conditions may affect the spreads shown on these instruments.

Index-tracking CFDs are traded at a minimum spread, which is defined as the spread available on Keytrade Bank website and on the trading platforms under normal market conditions. Volatile market conditions may affect the spreads shown on these instruments

2. Borrowing costs on short overnight positions

A borrowing cost may be applied to short Single Stock CFD positions held overnight. This borrowing cost depends on the liquidity of the underlying Stocks and may be zero (0) for high liquidity Stocks.

The specific borrowing rate for a Stock can be seen as the 'Borrowing Rate' under 'Account' > 'Trading Conditions' > 'CFD Stock/Index Instrument List' in the trading platforms.

When selling a CFD, the borrowing cost for holding the position overnight is shown in the CFD Trade module in the 'Estimated borrowing cost per day' field.

The borrowing rate will be fixed when the position is opened and will be charged on a monthly basis. Please be aware, that for certain corporate action events, the borrowing rate on the short position may be reset to the current rate in the market, upon the execution of the corporate action.

If the client opens and closes a CFD position within the same trading day, the client is not subject to borrowing costs.

3. Overnight Financing

- Stock Index CFD

As Index CFDs are margined products, the client finances the traded value through an overnight credit/debit charge. If the client opens and closes a CFD position within the same trading day, the client is not subject to overnight financing.

When the client holds an Index CFD position overnight, client's CFD position will consequently be subject to the following credit or debit:

Holding Long CFD Stock Index Tracker positions after 17:00 EST (New York time) incurs a financing charge which is calculated as follows:

Index Value * Number of CFDs * (relevant Inter-Bank Offered Rate + 3%) * (Actual Number of Days/360 or Actual Number of Days/365)

Holding Short positions after 17:00 EST (New York time) creates a financing credit which is calculated as follows:

Index Value * Number of CFDs * (relevant Inter-Bank Bid Rate – 2.50%) * (Actual Number of Days/360 or Actual Number of Days/365)

If the financing credit is negative it will be debited client's account.

- Single stock CFD

As Single Stock CFDs are a margined product, the client finances the traded value through an overnight credit/debit charge. If the client opens and closes a CFD position within the same trading day, he is not subject to overnight financing.

When he holds a Single Stock CFD position (or an ETF CFD position) overnight (i.e. have an open CFD position at close of market on the Stock Exchange, his CFD position will consequently be subject to the following credit or debit:

When the client holds a long CFD position, he is subject to a debit calculated on the basis of the relevant Inter-Bank Offer Rate for the currency in which the underlying share is traded (e.g. LIBOR) plus a mark-up (times Actual Days/360 or Actual Days/365).

When he holds a short CFD position, he receives a credit* calculated on the basis of the relevant Inter-Bank Bid Rate for the currency in which the underlying share is traded (e.g. LIBID) minus a mark-down (times Actual Days/360 or Actual Days/365).

The credit/debit is calculated on the total nominal value of the underlying Stock(s) at the time the CFD contract is established (whether long or short).

Should the relevant Inter-Bank Bid Rate minus the mark-down result in a debit as opposed to a credit, then he will pay the finance charge.

As Single Stock CFDs are a margined product, the client finances the traded value through an overnight credit/debit charge. If a client opens and closes a CFD position within the same trading day, the client is not subject to overnight financing.

When a client holds a Single Stock CFD position (or an ETF CFD position) overnight (i.e. have an open CFD position at close of market on the Stock Exchange, the client's CFD position will consequently be subject to the following credit or debit:

✓ When the client holds a long CFD position, the client is subject to a debit calculated on the basis of the relevant Inter-Bank Offer Rate for the currency in which the underlying share is traded (e.g. LIBOR) plus a mark-up (times Actual Days/360 or Actual Days/365).

✓ When the client holds a short CFD position, the client receives a credit calculated on the basis of the relevant Inter-Bank Bid Rate for the currency in which the underlying share is traded (e.g. LIBID) minus a mark-down (times Actual Days/360 or Actual Days/365).

The credit/debit is calculated on the total nominal value of the underlying Stock(s) at the time the CFD contract is established (whether long or short).

Should the relevant Inter-Bank Bid Rate minus the mark-down result in a debit as opposed to a credit, then the client will pay the finance charge.

4. Dividend adjustments

When dividends are paid on an underlying stock (ex: XYZ), holders of long CFD stock positions (ex: XYZ) will receive a proportional payout. The objective is to compensate the price drop on the CFD share due to the dividend payment. This compensation is made by a cash adjustment, paid to the CFDs holder. This cash adjustment is calculated as the dividend size deducted the standard international tax rate. The fact that CFDs are international financial contract makes it impossible to obtain reduced tax rates based on local exceptions. Holders of short CFD positions will have to pay an amount equal to the full (gross) dividend paid on the underlying share.

All cash dividends for CFD positions are settled on pay date. Cash dividends are booked on ex-date to reflect the market price movement on the ex-date, but the actual value of the payment is settled on pay date.

The ex-date is the date on or after which a share is traded without a previously declared dividend or distribution.

The pay-date is the date when dividends, or shares from a split, are sent to shareholders.

Dividends on CFD positions are cash adjustments paid or debited by the bank and not by the underlying company. Dividends paid on CFDs are not eligible for any preferential withholding tax rates sometimes associated with dividends paid on physical stocks and may therefore differ from the dividends payable on the underlying share.

5. Live Exchange Data fees

When the client wants to trade CFD stocks, the prices he will have access to trade its will be delayed by 15 minutes. Nevertheless, the client can have access to real-time prices on CFD stocks by subscribing to each stock exchange on which the underlying stocks are quoted. The subscription fees are charged to the client's account immediately after the client subscribes to a service. The client is always charged for a full calendar month regardless of the date of subscription. The subscription process, the terms and conditions of each service subscribed are available online directly on the trading platforms.

6. Liquidity cost

Liquidity cost is due to the fact that, on every CFDs, there is a spread between the bid price and the ask price. It means for a CFD holder that he will lose in any case the bid/ask spread. Even if the underlying asset has not moved, the client will lose this spread.

For example, if a client wants to buy a CFD stock which price is €10, 00/ €10, 02. He will buy it at the asked price of €10, 02. If he sales it right away with a bid/ask that has not changed (€10, 00/ €10, 02), he will sale it at the bid price of €10, 00. The client will lose €0, 02, even the price of the underlying asset has not moved. This is the liquidity cost. Please notice liquidity cost is different from trading fees and financing costs.

7. Net Free equity

See V, B, 10 of the prospectus

F. Corporate actions

When a corporate action happens on an underlying asset of a CFD, the CFD holder also benefits from the corporate action. Regarding to right issues, new CFD positions on the underlying instrument are granted and booked according to the ratio and the price of the underlying right issues on the Effective Date (Ex-date), with the value date as payment date. No election from the CFD holder is required. All details on corporate actions are described on our website: www.keytradebank.com/pro/

G. Profits and losses

Profits originated from the client's trading activities increase the client's balance. All surplus funds may be withdrawn from the client's account upon request. Losses originated from the client's trading activities reduce the balance of the client's account, and therefore reduce the margin available to open new positions or to maintain existing open positions.

H. Taxation Considerations

Please be advised that the following is intended as general information only and it does not purport to present any comprehensive or complete description of all aspects of Belgian tax laws which could be of relevance to a holder of CFDs. Prospective holders of CFDs should therefore consult their tax adviser regarding the tax consequences of any purchase, ownership or disposal of CFDs.

1. Taxes on income and capital gains

Belgian Individuals acting in the framework of their private activities:

The benefits derived from CFDs (including any capital gains realized on the disposal thereof) held by a Belgian individual will not be taxable in his hands to the extent that investing in a CFD will be considered as a transaction of normal management of the private estate.

In the opposite scenario, in a case where investing in a CFD would be considered as a speculative or abnormal transaction which exceeds the normal management of the private estate, the benefits derived from CFDs will be taxable in the hands of a Belgian Individual at a separate rate of 33 percent. In such a case, the net income will be taxable, i.e. after deduction of costs incurred during the taxable period to acquire or conserve the income.

The question of whether or not a transaction such as concluding a CFD relates to the normal management of the private estate has to be assessed by the client on a case by case basis.

Belgian Individuals acting in the framework of their business activities:

Any benefits derived from CFDs (including any capital gains realized on the disposal thereof) that are attributable to a business activity from which a Belgian Individual earns benefits or profits are generally subject to income tax in the Belgian Individual's hands at a bracket progressive rate with a maximum of 50 percent.

The commissions that would be payable in accordance with CFD provisions should in principle be tax deductible. However, under certain circumstances, the tax deductibility of such commissions could be challenged by the Belgian tax authorities based on the consideration that the commissions are not business expenses as regards the business being carried out.

Losses that would derive from CFDs should in principle be tax deductible.

Belgian Corporate Entities:

Any benefits derived from CFDs (including any capital gains realized on the disposal thereof) that are held by a Belgian Corporate Entity are generally subject to corporate income tax at the standard rate, currently 33 percent plus a 3 percent surtax, i.e. an effective tax rate of 33,99 percent.

The commissions that would be payable in accordance with CFD provisions should in principle be tax deductible. However, under certain circumstances, the tax deductibility of such commissions could be challenged by the Belgian tax authorities based on the consideration that the commissions are not business expenses as regards the business being carried out.

Losses that would derive from CFDs should in principle be tax deductible.

2. Withholding tax and other taxes and duties

In principle, the income derived from CFDs will not be subject to withholding tax in Belgium. Moreover, no other taxes and duties (including stamp duty and VAT) will be due by or on behalf of a holder of CFDs in respect of or in connection with the purchase, ownership or disposal of CFDs.

VII. CONDITIONS OF CFDs

A. Information before opening a trading account

Keytrade Bank offers a free demo platform for 20 days. It is very important to test the trading platform in simulation in order to understand the use of the trading platform and the mechanism of derivative products. The aim of using the demo platform is to understand the risk of financial products available on the (live) trading platform. After this demo phase, the client has to complete an Application Form on the Transactional Site of Keytrade Bank. Upon approval of this Application Form by the Bank, the client will be granted access to the live trading platform after his first funding will be received by the Bank. The Bank will only grant the access to the live trading platform if the Bank, in its sole judgment, considers that the client has sufficient knowledge and experience to understand the risks associated with CFDs.

B. Minimum trade sizes

Minimum trade sizes for some CFDs are set out on Keytrade Pro website www.keytradebank.com/pro/. These may be varied and the client should check Keytrade Pro website for up to date information.

The minimum order value for European Single Stock CFDs is EUR 100 and USD 50 for American Single Stock CFDs.

The client is able to reduce an open CFD position to below the minimum trade size. If the client has such a position he will be able to close it via either the Account Summary or by contacting the Helpdesk of Keytrade Bank.

MINIMUM TRADE SIZE ON CFD	
Single Stock	nominal value >100€ on European market and nominal value >50\$ on US market
Stock Indices	1
ETF	nominal value >100€ on European market and nominal value >50\$ on US market
Commodities	1 on Gold/Platinum/Palladium, 25 on Silver, 25 barrels on Oil, 200 bushels on cereals
Currencies	5.000

C. Confirmations and statements

If the client takes a position on CFDs, opening or closing, directly via the trading platform, this position will be confirmed on-screen via a pop-up. If the client takes a position calling to the client trading service, CFD positions will be confirmed during his conversation with the sales traders. All statements of the CFD open positions are also available on the trading platform under "Account Statement". The account statement includes a summary of the financial positions and details of all transactions on the account for the statement period. The client can call Keytrade Bank at any moment to have a confirmation of his financial statement.

D. Payments

The client may request a fund transfer by debiting his Keytrade Bank's trading account in favor of his Keytrade Pro trading account. Payment of any such amounts has to be validated by Keytrade BBank's back office. The client has to keep enough funds in his trading account to cover any margin requirements or any other charges that might arise for any reason. No third party transfer out will be allowed.

E. Monitoring the positions and account deficit

The client is in charge of monitoring his positions and orders taken on the financial markets via trading platforms. He is also responsible for maintaining the required margin collateral at all times. If not, he may be required to make margin payments to cover his open positions at short notice, and he must be able to meet those obligations at all times.

Moreover, he should follow key dates and events, such as important macroeconomic news such as rates of ECB, FED, BoE... but also the expiry dates for particular CFDs on Forex and Commodities. For this reason, he must be contactable at all times.

To conclude, he will not be allowed to deal in CFDs (other than to close or reduce his open positions) when there is a shortfall in the balance of his account. When the balance will become positive again, the client will be able to take new positions.

F. Security of the account

In terms of account security, Keytrade Bank gives access to the live account through an account number (login ID) and a password. When a client connects for the first time, on the downloadable platform SaxoTrader, the system will ask him to generate a security key. Then, the client will have to contact the Helpdesk of Keytrade Bank, to be identified and then be authorized and able to trade on the trading platform.

The client is responsible for maintaining the security of his account details, including his ID and password. It is extremely important that the client keeps his ID and password confidential. If the client is aware or suspects that these details are no longer confidential, then the client should contact us as soon as practicable, so his password can be changed. The Bank will deem any CFD position opened or closed position by any person using an account number and password to be binding upon the client.

G. Conditions to close out a CFD position

In the case of an emergency or exceptional market conditions, we can modify the conditions of the contract between the client and the bank. If an extreme situation occurs such as the interruption of the market price on CFDs (in the case of the suspension of on a stock exchange for example) Saxo Bank may suspend the quotation or Saxo Bank may change the margin percentage required on the open CFDs and or close out some or all of the open CFDs. Before acting, all reasonable steps to inform the client will be taken if Saxo Bank determines that any such extreme events exist.

H. Additional Documents

If any of the information set out in this document becomes inaccurate or out of date, or if there is a material change in (or a significant event that affects) any of the matters referred to, Keytrade Bank will issue an additional document or a new document. Keytrade Bank reserves the right to do so by publishing the additional document or new document on its website.

VIII. COMPLAINTS PROCEDURE

Any complaint will be handled pursuant the complaints procedure described in the general terms and conditions of Keytrade Bank available on www.keytrade-bank.com under Support > Document center .

IX. BEST EXECUTION AND CONFLICT OF INTEREST POLICIES

A. Best execution policy

Pursuant its Best execution Policy, Keytrade Bank will transmit the client's orders to Saxo Bank who will execute the order in accordance with its Best Execution Policy.

Saxo Bank will take all reasonable steps to obtain the most favorable terms while executing an order for the client.

In doing so, Saxo Bank implemented a Best Execution Policy based on 3 key principles:

- ✓ an innovative technology to forward, monitor and execute client orders,
- ✓ a special emphasis on the execution order features taking into account the price, the costs, the speed, likelihood of execution and settlement, the size, the nature or any other consideration relevant to the execution of the order,
- ✓ A regular and rigorous review of the overall execution process quality.

When considering the best executing factors, Saxo Bank takes into account:

- ✓ the client classification (the clients of Keytrade Bank are all considered as « retail clients »),
- ✓ the nature of the client order,,
- ✓ the characteristics of the financial instruments that are subject to that order ; and
- ✓ the characteristics of the execution venues to which that order can be directed.

Saxo Bank uses automated systems to route and execute client orders. When a client order is received by Saxo Bank, it is routed to the execution venue considered by Saxo Bank as the option providing the Best Execution possible or kept in house, for products undertaken for the Saxo Bank's own account (in particular, financial future instruments traded over the counter such as CFDs).

For CFDs, Saxo Bank can execute the orders received or route them to other market makers. The orders are exclusively routed to providers which comply with the display of limit orders and limit orders protection rules. Moreover, most of these providers, offer an automatic execution of the orders.

B. Conflict of interest policy

The Keytrade Bank and Saxo Bank implemented a procedure for managing and preventing conflicts of interests to comply with the regulatory framework in force.

This procedure defines the general lines of the arrangements put in place, through the:

- definition of the principles for the prevention and management of conflicts of interests,
- setting up of an organizational structure which factors in the level of independence required by some departments in the ordinary course of their activities,
- implementation of "Chinese Walls" to restrain the access and dissemination of sensitive and privileged information,
- mandatory disclosure of any actual or potential conflict of interest to the Compliance department,
- analysis and fair treatment of every situation of conflict of interested reported to the compliance department.

On the basis of the Bank's activities, the procedure implemented, identifies a range of circumstances which may give rise to a conflict of interest and potentially but not necessarily be detrimental to the interests of one or more clients such as:

- The Bank or any person directly or indirectly controlled by the Bank or a client is likely to make a financial gain, or avoid a financial loss, at the expense of a client. The Bank will manage conflicts of interest fairly,

Furthermore, the Bank maintains and regularly updates a record of the confirmed or potential conflicts of interest with a material risk of damage to the interests of the Bank's clients.

X. ADDITIONAL INFORMATION

The client will find the most- annual report of the Saxo Bank Group at www.saxobank.com.