

What is the Impact of Fees On Your Investments?

The amount of fees, costs, charges and mark-ups applied on your transactions or investments may vary depending on the size of your portfolio and transactions. You may find the details on our Fees & Charges table. There may be different types of fees payable on your investments.

These may include, including but not limited with:

- Annual custody fees, advisory fees based on the average value of your investments.
- Fixed annual maintenance fees.
- Transaction fees for buying and selling different types of investment products.
- Other costs if applicable such as taxes or stamp duty as well as costs for administrative actions which are stated under the Fees & Charges table or which are clearly stated under the relevant transaction confirmation.

Examples could be seen as below:

1. Bond Transactions (including Medium Term Notes, Private Placements)

For example, you buy USD 200.000 (nominal) of a bond with 5.00% coupon, 2 years maturity at price of 100.00. Let's assume bond transaction fee is 0.40%, which is calculated based on the cash amount.

The amount you will pay excluding accrued interest on the bond is USD 200,800.00.

Also, an annual custody fee is charged on the yearly average value of the bonds in your portfolio. Let's assume annual custody fee is 0.30% and average price is 100.00 throughout the year. Assuming you hold the bond in the portfolio the whole year, the amount of custody fee to be paid for this bond will be USD 600.00 per year.

Furthermore, an annual advisory fee may be charged on the yearly average value of the bonds in your portfolio. Let's assume annual advisory fee is 0.15% and average price will be 100.00 throughout the year. Assuming you hold the bond in the portfolio whole year, the amount of advisory fee paid for this bond will be USD 300.00 per year.

After deducting the transaction fee, advisory fee and annual custody fee, return on your investment will be lower, as there is difference between the gross yield and net yield of the bond.

Principal Amount	USD 200,000.00
Annual Coupon	USD 10,000.00
Transaction Fee	USD 800.00
Annual Custody fee	USD 600.00
Annual Advisory fee	USD 300.00
Net Annual Income for The First Year	USD 8,300.00
Net Annual Income for The Second Year	USD 9,100.00

Furthermore, the secondary market price of the bond may fluctuate during the life time of the transaction. If you sell the bonds prior to maturity market price may be lower than the purchase price and your return can be negative. Mark-Up will be applicable as 1% only for Per Se Professional Institutional clients which are within the “Four-Fold” (not depending on one bank and could shop around for the best prices) criteria.

2. Equity Transactions (Single Stocks, Depositary Receipts, ETFs)

For example, you buy 1.000 shares of Apple at price of USD 150.00. Let’s assume equity transaction fee is 0.20% which is calculated based on the total size of the transaction.

The amount you will pay for the purchase is USD 150,300.00

Principal Amount	USD 150,000.00
Transaction Fee	USD 300.00
Annual Custody Fee	USD 450.00
Annual Advisory Fee	USD 225.00

Also, an annual custody fee is charged on the yearly average value of the equities in your portfolio. Let’s assume annual custody fee is 0.30% and average price will be USD 150.00 throughout the year. Assuming you hold Apple in the portfolio whole year, the amount of custody fee to be paid for this stock will be USD 450.00 per year.

Furthermore, an annual advisory fee may be charged on the yearly average value of the bonds in your portfolio. Let’s assume annual advisory fee is 0.15% and average price will be 150.00 throughout the year. Assuming you hold the bond in the portfolio whole year, the amount of advisory fee paid for this bond will be USD 225.00 per year.

After deducting the transaction fee, advisory fee and annual custody fee, there is difference between the gross return and net return of the stock performance. There might be other costs if applicable such as taxes or stamp duty as well as costs for administrative actions.

Extra cost will apply for algorithmic orders (dark, iceberg, implementation shortfall, limit on close, liquidity seeking, market on close, pre-market limit, price peg, TWAP, VWAP, with volume). This extra cost will apply in addition to the normal equity commission.

For example, you buy 1.000 shares of Apple at price of USD 150.00 in pre-market session. Let's assume equity transaction fee is 0.20% which is calculated based on the total size of the transaction. Extra cost for algorithmic order is $0.5 \times 1000 \text{ shares} = 500 \text{ cents} = 5 \text{ USD}$.

The amount you will pay for the purchase is USD 150,305.00

Principal Amount	USD 150,000.00
Transaction Fee	USD 300.00
Algo Transaction Fee	USD 5.00
Annual Custody Fee	USD 450.00
Annual Advisory Fee	USD 225.00

FOREX Spot Transactions (For Ancillary Services, i.e. FX services where these are connected to the provision of investment services)

For example, you sell 500.000 EUR and buy USD at 1.1700 exchange rate. Let's assume forex transaction fee is 0.20% which is calculated based on the total size of the transaction and deducted from the quote currency in the parity, USD in this case.

The calculation will be as follows :

You sell	EUR 500,000.00
You buy	USD 584,000.00
Market Rate	1.1700
Transaction Fee	0.20%
Fee Amount	USD 1.168
Your Rate (Inc. fee)	1.16766

3. FOREX Forward & Swap Transactions

For example, you sell 500.000 EUR and buy USD at 1.1700 forward exchange rate with 1 month maturity. Let's assume forward transaction fee is 1.50% per annum. The fee is calculated based on the total size of the transaction and deducted from the quote currency of the parity, which is USD in this case.

The calculation is as follows :

You sell	EUR	500,000.00
You buy	USD	584,268.75
Market Rate		1.1700
Transaction Fee		1.50% per annum
Fee Amount		USD 731.25 (USD 585.000 * 1.5% * 30/360)
Your Forward Rate (Inc.fee)		1.16854

4. Structured Product Transactions

For example, you buy USD 300.000 (nominal) of a capital-protected structured product with 5.00% coupon (optional/conditional) and 6 months (1/2 years) maturity at price of 100.00. Let's assume structured product transaction fee is 1.00 % per annum, which is calculated based on the cash amount.

The amount you will pay excluding accrued interest on the structured product is USD 301,500.00.

Also, an annual custody fee is charged on the yearly average value of the structured product in your portfolio. Let's assume annual custody fee is 0.30% and average price is 100.00 throughout the holding period until the maturity of the structured product. Assuming you hold the structured product in the portfolio for 6 months until the maturity, the amount of custody fee to be paid for this structured product will be USD 450.00.

Furthermore, an annual advisory fee may be charged on the yearly average value of the structured product in your portfolio. Let's assume annual advisory fee is 0.15% and average price will be 100.00 throughout the holding period until the maturity of the structured product. Assuming you hold the structured product in the portfolio for 6 months until the maturity, the amount of advisory fee paid for this structured product will be USD 225.00.

After deducting the transaction fee, advisory fee and annual custody fee, return on your investment will be lower, as there is difference between the gross yield and net yield of the structured product.

Principal Amount	USD 300,000.00
(Optional/Conditional) Coupon	USD 7,500.00
Transaction Fee	USD 1,500.00
Annual Custody fee	USD 450.00
Annual Advisory fee	USD 450.00
Net Annual Income for 6 Months	USD 10,650.00

Furthermore, the secondary market price of the structured products may fluctuate during the life time of the transaction. If you sell the structured products prior to maturity market price may be lower than the purchase price and your return can be negative.

5. Interest Rate Swap Transactions

For example, you are aiming to hedge your interest rate risk with entering into an IRS transaction (with a zero floor) to fix your floating EUR loan payments. Let's assume credit spread of this transaction is 30 bps. The fee is calculated based on the DV01 of the transaction, which is in EUR in this case.

The calculation is as follows :

Loan amount	EUR 140,000,000
Loan Tenor	6 years
Market Fixing Rate	1.10%
Credit spread (Fee)	30 bps
DV01*	55.000 EUR
Fee Amount	EUR 1.650.000 (55.000 * 30)
Your All-in Fixing Rate (Incl. Fee)	1.40%

*DV01 is averaging the absolute price changes of a Treasury security for a one-basis point (bp) increase and decrease in yield-to-maturity.