

TRADE | CAPITAL MARKETS

COSTS AND CHARGES DISCLOSURES

TRADE CAPITAL MARKETS (TCM) LTD



Contents

1. INTRODUCTION, SCOPE AND PURPOSE OF THIS DOCUMENT	2
2. COSTS AND CHARGES OVERVIEW	2
3. COSTS AND CHARGES PER CFD ASSET CLASS.....	4
3.1. CFDs on Bonds	5
3.2. CFDs on Commodities	6
3.3. CFDs on Forex	6
3.4. CFDs on Crypto.....	7
3.5. CFDs on Indices	8
3.6. CFDs on Stocks	8
3.7. CFDs on ETFs	9
4. THIRD PARTY PAYMENTS.....	10

1. INTRODUCTION, SCOPE AND PURPOSE OF THIS DOCUMENT

- 1.1. Trade Capital Markets (TCM) Ltd (“TCM” or the “Company”) is an investment firm, incorporated in Cyprus as a private limited liability Company under the provisions of the Cyprus Companies Law, Cap. 113. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (“CySEC” or the “Commission”) under license number 227/14 for the conduct of designated investment business in the Republic of Cyprus and other jurisdictions and by the Financial Sector Conduct Authority (“FSCA”) in South Africa as a foreign Financial Services Provider under license number 47857.
- 1.2. TCM is focused on offering investment services to retail and professional clients through a “Business-to-Consumer” (“B2C”) business segment representing online trading via the website <https://www.finexo.com/> and to eligible counterparties through a “Business-to-Business” (“B2B”) business segment via the offering of liquidity to other regulated brokers.
- 1.3. The Costs and Charges Disclosures (the “Document”) gives insights to the general public and to investors on the associated costs and charges applied on executed orders, per asset class on the contracts for difference (“CFDs”) offering.
- 1.4. Formulas per cost and charge metric are included within the Document, as well as working examples in order for the Company’s investors to estimate the cumulative effect of costs and charges on potential attained returns. Moreover, investors must be aware that accumulated costs and charges will increase depending on the size of executed orders.

The Document is published on the Company’s website <https://www.finexo.com/>.

2. COSTS AND CHARGES OVERVIEW

- 2.1. The following two tables provide useful links to the instrument specific costs and charges for CFDs, as well as an overview of the frequency and type of all costs and charges that investors might incur. In addition, definitions are included within Table 2 to increase transparency towards investors of what each cost and charge actually refers to.

Table 1: Information on Instrument Specific Costs and Charges

Type of Cost and Charge	Additional Information
Commissions	Here
Spreads	Here
Swaps	CFDs on Bonds
	CFDs on Commodities
	CFDs on Forex
	CFDs on Crypto
	CFDs on Indices
	CFDs on Stocks
	CFDs on ETFs

Table 2: Overview of Applicable Costs and Charges

Frequency and Type of Cost and Charge		Applicability	Definition	Further Details	Scope
One-off entry or exit costs	Commission	Applicable only to CFDs on Stocks	A commission is charged on the opening and closing of a position on CFDs on Stocks, with the said instruments being offered at raw spreads.	1) Dependent on investor's account type, and charged per leg. 2) Ranges from 20 basis points (" bps ") to 8 bps, with a minimum of 10 USD depending on account type.	Cost and Charge associated with a financial instrument.
	Spread	Applicable to all instruments	A spread in trading is the difference between the buy (offer) and sell (bid) prices quoted for an asset.	1) Dependent on investor's account type. 2) Offered spreads are variable, subject to a minimum amount, and can vary depending on market conditions.	Cost and Charge associated with a financial instrument.
	Currency Conversion Fee		This is the cost for converting realized profits and losses as well as any costs and charges that are denominated in a currency other than the base currency of an investor's trading account.	1) Fixed fee set at 2.0%.	Cost and Charge associated with a financial instrument.
Ongoing costs	Swap (Financing Fee)	Applicable to all instruments	This cost results from keeping investor positions open overnight. The swap cost can be positive or negative depending on the instrument to be traded.	1) Instrument and asset class dependent. 2) Charged daily at 22:00 GMT (21:00 GMT during summertime) on all open positions as at the aforementioned times.	Cost and Charge associated with a financial instrument.
	Inactivity Fee		Inactivity fees are applied when no trading activity occurs for a period of time. A monthly fee is charged if no trading activity occurs for a period of 90 days or more, and an annual inactivity fee is charged if no trading activity occurs for a period exceeding 12 months.	1) 25 USD is charged on a monthly basis if no trading activity has occurred for 90 days or more. 2) 100 USD is charged per quarter for inactivity exceeding 12 months, less any monthly inactivity fees already charged.	Cost and Charge related to ancillary services.
	Rollover Adjustment	Applicable only to futures contracts	A rollover refers to the process of closing out open positions in soon-to- expire contracts in favor of contracts with later expiration dates, resulting in a rollover adjustment being performed. A spread is paid upon the rollover occurring.	1) Spread paid is dependent on investor's account type. 2) The rollover adjustment can be positive or negative to offset artificial losses or profits. 3) Artificial losses or profits are dependent on the price difference and the direction held on the instrument.	Cost and Charge associated with a financial instrument.

3. COSTS AND CHARGES PER CFD ASSET CLASS

The following information is valid across all asset classes and may be instrument-specific depending on the nature of the instrument, as previously outlined in Table 2. The formulas aim to provide, transparency on the methodology used in order to calculate the various costs and charges as aforementioned.

Calculation Assumptions

- Positions are open for 1 day, and remain open as at the point of the calculations taking place.
- Working examples include scenarios capturing both long and short positions held.
- The calculations assume that the investor has the Gold account type.
- The investor has an account denominated in EUR and is trading USD denominated instruments.

Costs and Charges – Web Trader / Mobile Trader Platforms

Commission = (Volume * Entry Price * Commission in bps) + (Volume * Current Price * Commission in bps)

Spread = Volume * Instrument Spread

Currency Conversion = Conversion Rate * 2.0%

Swap = Volume * End of Day Price * Swap Rate * Days Held

Decomposition of Adjustments and Costs associated with Rollovers:

- 1) Rollover Adjustment = Volume * Price Difference
- 2) Rollover Spread Charge = Volume * Instrument Spread
- 3) Total Rollover Adjustment = Rollover Adjustment + Rollover Spread Charge

Costs and Charges – MetaTrader 4 (MT4) / MetaTrader 5 (MT5) Platforms

Commission = (Volume * Entry Price * Commission in bps) + (Volume * Current Price * Commission in bps)

Spread = Volume * Instrument Spread

Currency Conversion = Conversion Rate * 2.0%

Swap = (Volume * End of Day Price * Swap Rate * Days Held) / 360

Rollover Adjustment = Volume * Price Difference

Decomposition of Adjustments and Costs associated with Rollovers:

- 1) Rollover Adjustment = Volume * Price Difference
- 2) Rollover Spread Charge = Volume * Instrument Spread
- 3) Total Rollover Adjustment = Rollover Adjustment + Rollover Spread Charge

Profit or Loss – Applicable to all platforms

Long Positions = (Volume * Current Price) – (Volume * Entry Price)

Short Positions = (Volume * Entry Price) – (Volume * Current Price)

It is to be noted that:

- Web Trader and Mobile Trader instrument contract sizes have a multiplier of 1, unlike MT4 and MT5 where the contract size is instrument-specific, thus making the volume equal to the product of the lot size and the contract size.

- Swap rates on Web Trader and Mobile Trader are denoted in daily percentage amounts, whereas MT4 and MT5 figures are in annual percentage amounts, and converted to daily percentage amounts for calculation uniformity.
- Rollover adjustments are dependent on the expiring contract's and new contract's difference in price, as well as the direction of the position held by investors. The following matrix outlines the adjustment methodology carried out based on the aforementioned two parameters:

Table 3: Rollover Adjustment Methodology

Parameter	Positive Price Difference	Negative Price Difference
Long Position	Negative Adjustment	Positive Adjustment
Short Position	Positive Adjustment	Negative Adjustment

- Expected prices denoted in Sections 3.1 – 3.7 are calculated based on the particular instrument's historic volatility, using in excess of 10-year daily historical returns. The said figures should only be used for the scenario analysis depicted in each asset class's case as presented within the Document to compare the instruments return expectations compared to the relevant applicable costs and charges. Expected pricing is used solely for this exercise, and should not be used as a tool to predict or anticipate future prices.

3.1. CFDs on Bonds

Table 4: Costs and Charges Calculation for US 30 Year Bond - Long Position

Metric	Web Trader / Mobile Trader	MT4 / MT5
Lots	10	0.01
Contract Size	1	1000
Volume	10	10
Instrument Spread	0.28	0.28
Entry Price (USD)	154.34	154.34
End of Day Price (USD)	156.57	156.57
Swap Rate	-0.0222%	-8.00%
Conversion Fee	2.00%	2.00%
EUR/USD Conversion Rate	1.20715	1.20715
Days Held	1	1
EUR/USD Conversion Rate (with Conversion Fee)	1.23129	1.23129
Spread (USD)	-2.80	-2.80
Spread (EUR)	-2.27	-2.27
Swap (USD)	-0.35	-0.35
Swap (EUR)	-0.28	-0.28
Total Amount Payable (EUR)	-2.56	-2.56
Historic Daily Volatility	0.69%	0.69%
Expected Price (USD)	155.40	155.40
Expected Profit or Loss (USD)	10.60	10.60
Expected Profit or Loss (EUR)	8.61	8.61
Net Profit or Loss (EUR)	6.05	6.05

3.2. CFDs on Commodities

Table 5: Costs and Charges Calculation for Crude Oil - Short Position

Metric	Web Trader / Mobile Trader	MT4 / MT5
Lots	10	0.01
Contract Size	1	1000
Volume	10	10
Instrument Spread	0.03	0.03
Entry Price (USD)	61.53	61.53
End of Day Price (USD)	59.16	59.16
Swap Rate	-0.0278%	-10.00%
Conversion Fee	2.00%	2.00%
EUR/USD Conversion Rate	1.20715	1.20715
Days Held	1	1
EUR/USD Conversion Rate (with Conversion Fee)	1.23129	1.23129
Spread (USD)	-0.30	-0.30
Spread (EUR)	-0.24	-0.24
Swap (USD)	-0.16	-0.16
Swap (EUR)	-0.13	-0.13
Total Amount Payable (EUR)	-0.38	-0.38
Historic Daily Volatility	6.73%	6.73%
Expected Price (USD)	57.39	57.39
Expected Profit or Loss (USD)	41.40	41.40
Expected Profit or Loss (EUR)	33.62	33.62
Net Profit or Loss (EUR)	33.25	33.25

3.3. CFDs on Forex

Table 6: Costs and Charges Calculation for EUR/USD - Long Position

Metric	Web Trader / Mobile Trader	MT4 / MT5
Lots	1,000	0.01
Contract Size	1	100,000
Volume	1,000	1,000
Instrument Spread	0.00013	0.00013
Entry Price (USD)	1.22299	1.22299
End of Day Price (USD)	1.22282	1.22282
Swap Rate	-0.0118%	-4.25%
Conversion Fee	2.00%	2.00%
EUR/USD Conversion Rate	1.20715	1.20715
Days Held	1	1

EUR/USD Conversion Rate (with Conversion Fee)	1.23129	1.23129
Spread (USD)	-0.13	-0.13
Spread (EUR)	-0.11	-0.11
Swap (USD)	-0.14	-0.14
Swap (EUR)	-0.12	-0.12
Total Amount Payable (EUR)	-0.22	-0.22
Historic Daily Volatility	0.55%	0.55%
Expected Price (USD)	1.22972	1.22972
Expected Profit or Loss (USD)	6.73	6.73
Expected Profit or Loss (EUR)	5.47	5.47
Net Profit or Loss (EUR)	5.24	5.24

3.4. CFDs on Crypto

Table 7: Costs and Charges Calculation for Bitcoin - Short Position

Metric	Web Trader / Mobile Trader
Lots	0.01
Contract Size	1
Volume	0.01
Instrument Spread	180
Entry Price (USD)	36,612.46
End of Day Price (USD)	36,678.61
Swap Rate	-0.0333%
Conversion Fee	2.00%
EUR/USD Conversion Rate	1.20715
Days Held	1
EUR/USD Conversion Rate (with Conversion Fee)	1.23129
Spread (USD)	-1.80
Spread (EUR)	-1.46
Swap (USD)	-0.12
Swap (EUR)	-0.10
Total Amount Payable (EUR)	-1.56
Historic Daily Volatility	8.55%
Expected Price (USD)	33,482.09
Expected Profit or Loss (USD)	31.30
Expected Profit or Loss (EUR)	25.42
Net Profit or Loss (EUR)	23.86

3.5. CFDs on Indices

Table 8: Costs and Charges Calculation for S&P500 - Long Position

Metric	Web Trader / Mobile Trader	MT4 / MT5
Lots	1	0.01
Contract Size	1	100
Volume	1	1
Instrument Spread	0.75	0.75
Entry Price (USD)	4,053.78	4,053.78
End of Day Price (USD)	4,079.26	4,079.26
Swap Rate	-0.0222%	-8.00%
Conversion Fee	2.00%	2.00%
EUR/USD Conversion Rate	1.20715	1.20715
Days Held	1	1
EUR/USD Conversion Rate (with Conversion Fee)	1.23129	1.23129
Spread (USD)	-0.75	-0.75
Spread (EUR)	-0.61	-0.61
Swap (USD)	-0.91	-0.91
Swap (EUR)	-0.74	-0.74
Total Amount Payable (EUR)	-1.35	-1.35
Historic Daily Volatility	1.09%	1.09%
Expected Price (USD)	4,097.97	4,097.97
Expected Profit or Loss (USD)	44.19	44.19
Expected Profit or Loss (EUR)	35.89	35.89
Net Profit or Loss (EUR)	34.54	34.54
Price Difference	12.40	12.40
Rollover Spread (USD)	-0.75	-0.75
Rollover Spread (EUR)	-0.61	-0.61
Rollover Adjustment (USD)	-12.40	-12.40
Rollover Adjustment (EUR)	-10.07	-10.07
Total Rollover Adjustment (EUR)	-10.68	-10.68

3.6. CFDs on Stocks

Table 9: Costs and Charges Calculation for Google - Long Position

Metric	Web Trader / Mobile Trader	MT4 / MT5
Lots	1	0.01
Contract Size	1	100
Volume	1	1

Instrument Spread	1.35	1.35
Entry Price (USD)	2,245.16	2,245.16
Current Price (USD)	2,257.43	2,257.43
End of Day Price (USD)	2,259.71	2,259.71
Commission in bps	16.00	16.00
Swap Rate	-0.0222%	-8.00%
Conversion Fee	2.00%	2.00%
EUR/USD Conversion Rate	1.20715	1.20715
Days Held	1	1
EUR/USD Conversion Rate (with Conversion Fee)	1.23129	1.23129
Commission (USD)	-7.20	-7.20
Commission (EUR)	-5.85	-5.85
Spread (USD)	-1.35	-1.35
Spread (EUR)	-1.10	-1.10
Swap (USD)	-0.50	-0.50
Swap (EUR)	-0.41	-0.41
Total Amount Payable (EUR)	-7.36	-7.36
Historic Daily Volatility	1.63%	1.63%
Expected Price (USD)	2,281.76	2,281.76
Expected Profit or Loss (USD)	36.60	36.60
Expected Profit or Loss (EUR)	29.72	29.72
Net Profit or Loss (EUR)	22.37	22.37

3.7. CFDs on ETFs

Table 10: Costs and Charges Calculation for SHY - Short Position

Metric	Web Trader / Mobile Trader	MT4 / MT5
Lots	1	1
Contract Size	1	1
Volume	1	1
Instrument Spread	0.15	0.15
Entry Price (USD)	86.31	86.31
End of Day Price (USD)	86.35	86.35
Swap Rate	-0.0222%	-8.00%
Conversion Fee	2.00%	2.00%
EUR/USD Conversion Rate	1.20715	1.20715
Days Held	1	1
EUR/USD Conversion Rate (with Conversion Fee)	1.23129	1.23129

Spread (USD)	-0.15	-0.15
Spread (EUR)	-0.12	-0.12
Swap (USD)	-0.02	-0.02
Swap (EUR)	-0.02	-0.02
Total Amount Payable (EUR)	-0.14	-0.14
Historic Daily Volatility	0.20%	0.20%
Expected Price (USD)	86.14	86.14
Expected Profit or Loss (USD)	0.17	0.17
Expected Profit or Loss (EUR)	0.14	0.14
Net Profit or Loss (EUR)	0.00	0.00

4. THIRD PARTY PAYMENTS

- 4.1. The Company maintains agreements with entities collectively referred to as “Partners” for the scope of this Document. Partners may include entities including but not limited to Business Introducers, Affiliates and Tied Agents.
- 4.2. All Partners that enter into a business relationship with the Company sign an agreement stipulating their remuneration medium and amount, which may be dependent on the generated volume of investors.
- 4.3. No additional costs and charges are incurred by the investors in the payment of the aforementioned Partners.