



COSTS & CHARGES

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1. INTRODUCTION

Orbex Limited (hereinafter, the “Company”), is an Investment Firm incorporated and registered under the laws of the Republic of Cyprus, authorized and regulated by the Cyprus Securities and Exchange Commission (hereafter the “CySEC”) under the license number 124/10.

2. Definitions

‘Spread’ is the difference between the buy price and the sell price of a particular trading instrument.

‘Swap/Rollover’ is the process of extending the settlement date of an open position (i.e. date by which an executed trade must be settled). Therefore, the Company will add or deduct from a client’s trading account an interest rate for rolling over (i.e. holding/transferring) open positions relating to finance transactions generated through an account to the next day.

‘Commission fee’ is charged for trading on Orbex ‘Ultimate’ and ‘Premium’ accounts only, when opening and closing a position and is automatically calculated according to the volume traded.

‘Dormant fee’ is a monthly fee imposed on trading accounts which have become archived due to inactivity (open trades/withdrawals/deposits) for a consecutive period of six (6) months, and which have free balance in the account.

3. LEGAL FRAMEWORK

Following the implementation of the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) along with the Delegated Regulation EU 2017/565 and in accordance to the provisions of the Investment Services and Activities and Regulated Markets Law of 2017, L.87(I)/2017 (the “Law”) of the Cyprus Securities and Exchange Commission (“CySEC”), the Company is required to provide to clients or potential clients in good time information on all costs and related charges. Such information relates to both investment services and ancillary services, including the cost of advice, where relevant, the cost of the financial instrument recommended or marketed to the client and how the client may pay for it, also encompassing any third-party payments.

When providing investment services to professional clients, the Company has the right to agree to a limited application of the detailed requirements set out in this policy with these clients, except

irrespective of the investment service provided, the financial instruments concerned embed a derivative.

When providing investment services to eligible counterparties, the Company has the right to agree to a limited application of the detailed requirements set out in this policy, except when, irrespective of the investment service provided, the financial instruments concerned embed a derivative and the eligible counterparty intends to offer them to its clients.

4. EX-ANTE AND EX-POST DISCLOSURE OF INFORMATION

Under MiFID II, the Company need to provide *both ex-ante and ex-post disclosure* in order to improve transparency for clients.

The *ex-ante disclosure* is given before the provision of services about the costs related to the financial instrument or ancillary service and will be provided based on an assumed investment amount.

The *ex-post disclosure* is the information related to costs and charges which should reflect the client's actual investment amount at the time the disclosure is produced.

Article 50(2) of MiFID II Delegated Regulation 2017/565 provides that for ex-ante and ex-post disclosure of information on costs and charges to clients, investment firms shall aggregate the following:

- a. all costs and associated charges charged by the investment firm or other parties where the client has been directed to such other parties, for the investment services(s) and/or ancillary services provided to the client; and
- b. all costs and associated charges associated with the manufacturing and managing of the financial instruments.

The obligation on the disclosure of information on all costs and charges applies to all clients irrespective of their categorisation i.e. retail, professional or eligible counterparties. The Company shall have the right to agree to a limited application on the disclosure with professional clients and eligible counterparties (where applicable).

5. TYPES OF COSTS AND CHARGES

5.1 Spreads

Spread is the difference, usually indicated in pips, between the Bid and Ask price. The Spreads values vary for different accounts as well as depend on the instrument traded. The spread is floating; therefore, it may increase depending on the market conditions and the volatility. Spread is a cost present both at entering and exiting a trade, and it applies to all the accounts.

Example

Volume in Instrument traded	[1 standard lot in EUR/USD]
Current Bid/Ask price	1.30583/1.30599
Spread (difference between Bid/Ask price)	0.00016, i.e. 1.6 pips
Cost Calculation (volume traded i.e. lots*point size*spread)	$100,000 * 0.0001 * 1.6 = \text{US\$ } 16$

5.2 Swap/Rollover Fee

This is the swap cost for keeping a position held open overnight (i.e. 22:00 GMT). Positions opened at 22:01 are not subject to rollover until the next day, but if you open a position at 21:59, a rollover will take place at 22:00 GMT. The swap cost can be positive or negative depending on the instrument to be traded. An overnight funding amount is either added to or subtracted from the Client's account when holding a position after a certain time. Despite the fact there is no rollover on Saturdays and Sundays when the markets are closed, credit institutions still calculate interest on any position held over the weekend. It is important to mark that swap rollover fees are changed weekly and you can read more details about our swap rates, at the following links:

<https://orbex.com.cy/financial-markets/forex/>

<https://orbex.com.cy/financial-markets/precious-metals/>

<https://orbex.com.cy/financial-markets/cash-indices/>

Example

Swap Long in points	-2.956
Swap charge for 1 day in Quote Currency for 1 Lot	-295.6 JPY
Swap charge for 1 day in Quote Currency for 1 Lot x Lots	-1309.51 JPY
1 Day Swap Charge in Account Currency at EURJPY@122.35	<u>-10.70 EUR</u>

The Company provides the option for Islamic Forex accounts, also known as swap-free Forex accounts. With this type of account, no swap or roll-over interest will be charged to or incurred on positions that are held overnight.

Further details can be found at <https://orbex.com.cy/forex-trading/swap-free-accounts/>

5.3 Commission Fees

The Company charges commission fees with regards to specific type of accounts i.e. for Premium and Ultimate. Such commission is on per round-turn contract.

Account Type	Commission per Account Currency
Starter Account	0
Premium	8
Ultimate	5

Commissions are calculated using the following formula:

Commission = 2 * (Commission Values * Trading Volume / 1,000,000)

Trading Volume = Volume in Lots * Contract Size

Example

Buy 1 Standard Lot of Instrument “EUROUSD” by Premium Account, the commission will be $2 * 8 * (100,000 / 1,000,000) = \text{US\$ } 1.6$

5.4 Total charge example combining Spread, Swap and Commission

Below we provide an example that combines total charges on opening/closing a position combining charges on spread, swaps and commissions:

Account Currency: EUR

Pair: EURJPY

Lots: 4.43

Type of Order: Buy

Pair Quote Currency: JPY

Spread Cost

Bid Price at Opening Position	122.147
Ask Price at Opening Position	122.164
Spread	0.017
Spread in Quote Currency	1700 JPY
Spread in Quote Currency x Lots	7531 JPY
Spread Cost in Account Currency	61.65 EUR

Swap Cost

Swap Long in points	-2.956
Swap charge for 1 day in Quote Currency for 1 Lot	-295.6 JPY
Swap charge for 1 day in Quote Currency for 1 Lot x Lots	-1309.51 JPY

1 Day Swap Charge in Account Currency at EURJPY@122.35	<u>-10.70 EUR</u>
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Commission

Account Type	Ultimate
Commission per round Lot	5 EUR
Commission cost x Lots	<u>22.15 EUR</u>

5.5 Dormant/Inactive Account

Dormant accounts will be subject to relevant charge/cost(s), relating to the maintenance/administration of such accounts. When an account is classified as dormant, the Company has the right to charge an ‘inactivity fee’ of 20 USD, 20 EUR, 20 GBP or 20 PLN (depending on the base currency of the account holder) per month, which will be charged and debited from the balance of the specific account until the account holder has the required funds available and/or until a zero balance/equity is reached.

- Where you have more than one (1) trading account and all such trading accounts are considered as Inactive Accounts, please note that the Inactivity Fee shall be charged separately for each of the respective Trading Account
- The Company reserves the right to charge the inactivity Fee retroactively for any month in which we had the right to charge it but did not do so for technical reasons
- In addition, the Company reserves the right to cancel any pending orders on the Inactive Account without notice
- For re-activation of a Dormant Account, the client oughts to contact the Company, proceed with KYC/CDD procedures, funding his account and conducting at least one (1) trade with the Company.

Such an ‘inactivity fee’ shall not in any case give a minus balance to the account.

5.6 Other Charges

The Company reserves the right to charge the client based on the deposit and withdrawals methods used. Further details can be found in the Client Agreement (clause 24) as well as in the information provided on the Company’s website at <https://www.orbex.com.cy/forex-trading/account-funding/> and <https://www.orbex.com.cy/en/trading-conditions.html>.

Additionally, the client may refer to the Company’s [Key Information Document](#) uploaded on the Company’s website which contains useful information concerning the services provided to the

client by the Company, inclusive information about charges and fees which may incurred by the client.

5.7 Monthly ex-post information

The Company shall provide a monthly report about all costs and charges related to both the financial instrument(s) and investment and ancillary service(s). Such information shall be based on costs incurred and shall be provided on a per trading account basis.

5.8 Account Funding Fees

Method	Deposit		Withdrawal		Note
	Fees	Processing Time	Fees	Processing Time	
MoneyBookers	0.00%	Up to 2 hours	0.00%	Up to 24 hours	Regulated under FCA - UK
Direct Debit / Credit Cards	0.00%	Up to 2 hours	0.00%	3-5 business days	Regulated under Central Bank of Cyprus
WebMoney	0.00%	Up to 2 hours	0.00%	Up to 24 hours	Not regulated - Incorporated in Russia
Bank Wire	0.00%	3-5 business days	0.00% (*)	3-5 business days	Regulated under Central Banks of Incorporation Countries
NETELLER	0.00%	Up to 2 hours	0.00%	Up to 24 hours	Regulated under FCA
Fasapay	0.00%	Up to 2 hours	0.00%	Up to 24 hours	Not regulated- Incorporated in Sigapore
ZotaPay	0.00%	Up to 4 hours	0.00%	Up to 72 hours	Not Regulated
Klarna/Sofort	0.00%	Up to 2 hours	0.00%	Up to 24 hours	Regulated under Finansinspektionen (the Swedish Financial Services Supervisor)