

Ex-Ante cost and charges disclosure for professional clients

Markets in Financial Instruments Directive II ("MiFID II") requires Credit Europe Bank N.V. ("CEB") to inform its clients of the costs and charges for the services offered and products traded on an ex-ante basis. This document provides clients with appropriate information on our costs and charges when we provide Investment Services and Activities or Ancillary Services as defined in the revised Markets in Financial Instruments Directive.

Overview

In general, towards professional clients, where CEB trades with you in a principal, execution-only capacity, CEB does not impose any separate costs and charges, other than the transaction costs, for the provision of investment or ancillary services unless identified and disclosed to you separately in respect of a product agreement or as part of your account opening package.

If the client also has a corporate banking relationship with the bank, certain fees and commissions can be imposed as part of that relationship, which is outside the scope of this document.

Costs and charges that may apply from time to time, related to the execution of an order in a Financial Instrument are explained below:

Costs and charges related to the financial instrument

When CEB trades on a principal basis as a result of a request for quote, the prices quoted to you are all-in prices, reflecting the level at which we are willing to trade that instrument with you. In instances where CEB has to disclose the cost and charges for an OTC derivative or Cash Bond transaction, the implicit cost for the client will be calculated as the difference between the price quoted and the mid-market price at the time of execution. Mid-market price is determined by CEB in its sole discretion on the basis of observable market inputs at the time or estimated when not available.

Annex I sets out the client specific and non-client specific factors that may affect the all-in price. This list is not exhaustive and we may take into account other factors that we consider appropriate in determining that price. The relevant impact or importance of each factor on the price you receive will differ based on the specific circumstances of the transaction.

Annex II sets out estimate cost and charges that may apply for transactions in different categories of financial instruments under normal market conditions. The actual costs and charges will vary depending upon the circumstances specific to each transaction. The figures displayed are no guarantee of future transaction costs and may be subject to change.

Apart from the above, when there is a reliance on CEB and a certain level of discretion in executing orders on your behalf, or when we provide access to a particular source of liquidity; for example for leave type orders (at market or limit) or for orders referencing a market benchmark, we may charge you a pre-agreed commission or fee on the trade. These commissions and fees can be charged separately or included in the final price but are always

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disclosed to you separately, in advance of execution, as part of a schedule of fees & charges, a term-sheet or the order confirmation.

ANNEX I – Factors that affect the transaction costs and charges

Some of the factors that we may take into account in determining the price for the financial instrument are listed below. The price varies depending upon a number of client specific and non-client specific factors. This list is not exhaustive and we may take into account other factors that we consider appropriate in determining that price. The relevant impact or importance of each factor on the price you receive will differ based on the specific circumstances of the transaction.

- Size of the transaction
- Direction of the transaction
- Tenor of the transaction
- Liquidity of the financial instrument
- Market conditions
- Funding Costs
- Clearing and Settlement Fees
- Operational Costs
- Market Risk
- Capital Costs
- The volume, type, size and frequency of trading the client executes with CEB
- **The client's credit assessment and the related counterparty credit risk**
- **CEB's current exposure to the client**
- Governing documentation and the terms and conditions thereof
- Credit support if any and the terms and conditions thereof
- **The extent and nature of the client's business relationship with CEB**

ANNEX II – Estimate transaction costs

In instances when CEB has to disclose the cost and charges for an OTC derivative or Cash Bonds, the implicit cost for the client is defined as the difference between the price quoted to you and the mid-market price at the time of execution. Mid-market mark is determined by CEB in its sole discretion on the basis of observable market inputs at the time or estimated when not available.

As explicit costs, if any, such as commissions, fees and other charges are disclosed to you separately, they are not included in below tables.

Below estimate transaction costs are what we believe to be reasonable estimates under normal market conditions for two example clients, one trading under a fully collateralized, zero threshold, cash only CSA with daily margining and another without CSA.

The actual costs and charges will vary depending upon the circumstances specific to each transaction. The figures displayed are no guarantee of future transaction costs and may be subject to change.

The figures are represented both as upfront percentage of notional and as a nominal cost over an assumed investment amount of EUR 100,000.

“G4” in the tables refers to EUR, USD, GBP and JPY; “Other” refers to other currencies.

OTC Cash Bonds

Cost as Upfront % of Notional		Nominal Cost per EUR 100,000	
EM CREDIT	2.50%	EM CREDIT	2,500
EM GOVERNMENT	2.00%	EM GOVERNMENT	2,000
DM CREDIT	1.60%	DM CREDIT	1,600
DM GOVERNMENT	0.50%	DM GOVERNMENT	500

OTC FX Forwards, FX Swaps, Cross-Currency Swaps

Cost as Upfront % of Notional			Nominal Cost per EUR 100,000		
G4			G4		
	CSA	Non-CSA		CSA	Non-CSA
ON	0.28%	0.28%	ON	283.0	283.2
1W	0.30%	0.30%	1W	295.3	297.2
1M	0.34%	0.36%	1M	342.0	355.3
3M	0.46%	0.57%	3M	457.4	568.5
6M	0.63%	1.01%	6M	634.1	1,008.8
1Y	1.00%	2.23%	1Y	1,000.9	2,231.6
2Y	2.04%	5.69%	2Y	2,043.5	5,692.4

Cost as Upfront % of Notional			Nominal Cost per EUR 100,000		
Other			Other		
	CSA	NON CSA		CSA	NON CSA
ON	0.50%	0.70%	ON	495.2	700.7
1W	0.59%	0.79%	1W	495.2	789.5
1M	0.80%	0.94%	1M	802.6	936.6
3M	1.39%	1.86%	3M	1,388.1	1,857.7
6M	2.30%	3.56%	6M	2,302.5	3,558.1
1Y	3.95%	8.83%	1Y	3,949.7	8,833.7
2Y	8.18%	23.13%	2Y	8,176.5	23,128.9

OTC FX Options

Cost as Upfront % of Notional			Nominal Cost per EUR 100,000		
G4			G4		
	CSA	NON CSA		CSA	NON CSA
1W	0.25%	0.26%	1W	250	252
1M	0.24%	0.25%	1M	235	245
3M	0.39%	0.43%	3M	389	429
6M	0.69%	0.79%	6M	676	782
1Y	1.30%	1.56%	1Y	1,283	1,534
2Y	3.27%	3.92%	2Y	3,228	3,869

Cost as Upfront % of Notional			Nominal Cost per EUR 100,000		
Other			Other		
	CSA	NON CSA		CSA	NON CSA
1W	0.68%	0.68%	1W	669	673
1M	0.75%	0.78%	1M	744	768
3M	1.26%	1.40%	3M	1,247	1,384
6M	1.75%	2.10%	6M	1,730	2,068
1Y	2.86%	3.93%	1Y	2,825	3,872
2Y	5.80%	9.48%	2Y	5,720	9,348

OTC Interest Rate Swaps and Options

Cost as Upfront % of Notional			Nominal Cost per EUR 100,000		
Other			Other		
	CSA	NON CSA		CSA	NON CSA
1Y	0.78%	0.78%	1Y	769	769
2Y	2.59%	3.33%	2Y	2,558	3,288
3Y	5.59%	7.76%	3Y	5,518	7,650

Cost as Upfront % of Notional			Nominal Cost per EUR 100,000		
G4			G4		
	CSA	NON CSA		CSA	NON CSA
1Y	0.60%	0.60%	1Y	589	589
2Y	1.00%	1.65%	2Y	989	1,628
3Y	1.26%	3.32%	3Y	1,245	3,272

OTC Commodity Derivatives

Cost as Upfront % of Notional

Non-CSA	Brent	Jet Fuel	Cotton	Zinc	Scrap	Rebar
1M	0.88%	5.46%	0.98%	1.20%	1.20%	4.23%
3M	1.65%	6.22%	1.74%	1.96%	1.96%	5.00%
6M	3.15%	7.72%	3.24%	3.47%	3.47%	6.50%
1Y	6.23%	10.81%	6.33%	6.55%	6.55%	9.58%

Cost as Upfront % of Notional

CSA	Brent	Jet Fuel	Cotton	Zinc	Scrap	Rebar
1M	0.47%	5.04%	0.56%	0.78%	0.78%	3.82%
3M	0.47%	5.04%	0.56%	0.78%	0.78%	3.82%
6M	0.47%	5.04%	0.56%	0.78%	0.78%	3.82%
1Y	0.47%	5.04%	0.56%	0.78%	0.78%	3.82%

Nominal (Nominal Cost per EUR 100,000)

Non-CSA	Brent	Jet Fuel	Cotton	Zinc	Scrap	Rebar
1M	883	5,456	976	1,198	1,198	4,233
3M	1,650	6,223	1,743	1,965	1,965	4,999
6M	3,152	7,725	3,245	3,467	3,467	6,501
1Y	6,233	10,806	6,326	6,548	6,548	9,582

Nominal Cost per EUR 100,000

CSA	Brent	Jet Fuel	Cotton	Zinc	Scrap	Rebar
1M	467	5,040	560	783	783	3,817
3M	467	5,040	560	783	783	3,817
6M	467	5,040	560	783	783	3,817
1Y	467	5,040	560	783	783	3,817