

# **Costs and Charges Policy**

**Tradestone Ltd**

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## Version Control

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# 1. Introduction

## 1.1 General

Tradestone Ltd (hereinafter the “**Company**”, “**We**” or “**Us**”) is a Cyprus Investment Firm (hereinafter the “**CIF**”) Authorized and Regulated by the Cyprus Securities and Exchange Commission (hereinafter the “**CySEC**”) under License number 331/17.

The Company is obliged to comply with the European Commission’s Delegated Regulation (EU) 2017/565 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investments firms and defined terms for the purposes of that Directive.

The purpose of the Costs and Charges Policy (hereinafter the “**Policy**”) is to effectively disclose information on the estimated ex-ante costs and charges related to the investment services offered taking into account the different financial instruments and account types available to clients.

We would like to draw your attention to the fact that the costs and charges presented in the Policy consists of estimated values, where the exact value for each financial instruments is provided through the Company’s website. All costs are provided at an aggregate format. However, the Client has the right to request for an itemised breakdown of the costs and charges applied to the account by sending an email to [support@fbs.eu](mailto:support@fbs.eu)

The Company ensures that it will act, honestly, fairly, and professionally and in the best interests of its clients.

## 1.2 Definitions

‘**Commission fee**’ is the fee charged for opening or closing a position, which is calculated based on the volume traded.

‘**Currency conversion fee**’ is the fee charged every time realised profits, losses and/or other fees denominated in a currency different to the currency of the trading account.

‘**Deposit/Withdrawal fee**’ is the fee charged for depositing to or withdrawing from the trading account.

‘**Dormant fee**’ is the monthly fee imposed on trading account which have become inactive due to no trading activity, no logging in the account, no withdrawals or deposits and which have a free balance in the account.

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

‘**Swap/Rollover**’ is the interest rate added or deducted from a trading account for extending the settlement date of an open position relating to financial transactions generated through an account to the next day.

## 1.3 General Costs and Charges

The table below outlines the general one-off and ongoing charges segregated between financial instruments related and investment services related.

Financial Instruments		
Swap/Rollover	Ongoing	Charge or credit with overnight fees for maintaining an open position of CFDs. Charge or credits continues to apply as long as the position remains open.
Commission fee	One-off	Charge with a fixed fee when opening or closing a position based on the trading volume depending on the financial instrument.
Investment Services		
Spread	One-off	The difference between the Ask (Buy) and Bid (Sell) price.



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[www.fbs.eu](http://www.fbs.eu)

Account fee	One-off	Charge with a fixed fee based on the trading account type selected by the client.
Currency conversion fee	One-off	Charge with a fee for converting trading profits and losses in a currency other than the one of the account.
Deposit/Withdrawal fee	One-off	Charge with a fee to deposit or withdraw funds from the trading account. The Company does not charge any deposit or withdrawal fees although the client may be subject to fees from credit institutions or payment service providers.

## 2. Examples of Costs and Charges

Below we provide you with examples relevant to the way that costs and charges are calculated for the financial instrument of Contracts for Differences (hereinafter “the CFDs”) using different underlying assets. In the end of each example, we present the cumulative effect of costs and charges on the investment. We would like to stress that the below examples are indicative and shall in no way be considered as projections of any financial instrument’s future performance or investment’s outcome in general.

### 2.1 CFD in Foreign Exchange

Scenario Description	The client takes a long position (buys) 1 Lot of EURJPY contract with a market price of ¥144.661. The trade stays open for two day and closes at the price of ¥146.372.		
Trade Information			
Account Type	Standard	EURJPY rate open price	¥144.661
Account Currency	EUR	EURJPY rate close price	¥146.372
Open Trade	Long 1 Lot	EURJPY rate	¥144.661
Leverage	1:30	Swap/Rollover fee	¥-6.91
Lot size	100,000 units		
Notional value	Number of Lots * Lot size * Open price = 1 * 100,000 * 144.661 = ¥14,466,100		
Notional value conversion	Notional value / EURJPY rate = 14,466,100 / 144.661 = €100,000		
Margin required	Notional value conversion / Leverage = 100,000 / 30 = €3,333		
Financial Instrument Charges			
Swap/Rollover fee	Swap/Rollover fee * two days * volume = -6.91 * 2 * 1 = ¥-13.82		
Swap/Rollover fee conversion	Swap/Rollover fee / EURJPY rate = -13.82 / 146,372 = €-0.09		
Commission fee	N/A		
Aggregated cost	Swap/Rollover fee conversion + Commission fee = -0.09 + 0 = €-0.09		
Aggregated cost %	Aggregated cost % / Total Investment (Margin required) = -0.09 / 3333.3 = -0.003%		
Investment Services Charges			
Spread	(Ask price – Bid price) * Position size = (144.634 – 144.612) * 100,000 = ¥2,200		
Spread conversion	Spread / EURJPY rate = 2,200 / 144,661 = €15,208		
Account fee	N/A		
Currency conversion fee	N/A		
Aggregated cost	Spread + Account fee + Currency conversion fee = 15,208 + 0 + 0 = €15,208 EUR		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = 15,208 / 3333.3 = 0.456%		
Costs & Charges Effect on Investment			

<b>Profit</b>	$(\text{Close price} - \text{Open price}) * \text{Lot} * \text{Lot size} = (146,372 - 144,661) * 1 * 100,000 = ¥171,100$
<b>Profit conversion</b>	$\text{Profit} / \text{EURJPY rate} = 171,100 / 146,372 = 1,168.94 \text{ EUR}$
<b>Cumulative Effect of Profit on Return</b>	$(\text{Profit conversion} / \text{Total Investment (Margin required)}) * 100 = (1,168.94 / 3,333.3) * 100 = 35.068\%$
<b>Cumulative Effect of Costs on Return</b>	$[(\text{Profit conversion} - \text{Cumulative Costs}) / \text{Total Investment (Margin required)}] * 100 = (1,168.94 - 15.30) / 3,333.3 = 35.527\%$
<b>Reduction of profit due to Costs &amp; Charges</b>	$\text{Cumulative Effect of Profit on Return} - \text{Cumulative Effect of Costs on Return} = 35.527\% - 35.068\% = 0.459\%$

## 2.2 CFD in Commodities

Investment Example			
Scenario Description	The client takes a short position (sells) 1 Lot of XAUUSD (Gold) contract with a market price of \$1,795.76. The trade stays open for two days and closes at price \$1,792.83.		
Trade Information			
Account Type	Standard	XAUUSD open price	\$1,795.76
Account Currency	EUR	XAUUSD close price	\$1,792.83
Open Trade	Short 1 Lot	EURUSD rate	\$1.06177
Leverage	1:20	Swap/Rollover fee	-\$1.35
Lot size	100 Ounces		
Notional value	Number of Lots * Lot size * Open price = 1 * 100 * 1,795.76 = 179,576 USD		
Notional value conversion	Notional value / EURUSD rate = 179,576 / 1.06177 = 169,128.91 EUR		
Margin required	Notional value conversion / Leverage = 169,128.91 / 20 = 8,456.45 EUR		
Financial Instrument Charges			
Swap/Rollover fee	Swap/Rollover fee * two days * volume = -1.35 * 2 * 1 = \$-2.70		
Swap/Rollover fee conversion	Swap/Rollover fee / EURUSD rate = -2.70 / 1.06177 = €-2.543		
Commission fee	N/A		
Aggregated cost	Swap/Rollover fee conversion + Commission fee = -2.543 + 0 = €-2.543		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = -2.543 / 8,456.45 = 0,0301%		
Investment Services Charges			
Spread	(Ask price – Bid price) * Position size = (1,796.03 – 1,795.76) * 100 = \$27		
Spread conversion	Spread / EURUSD rate = 27 / 1.06177 = €25.43		
Account fee	N/A		
Currency conversion fee	N/A		
Aggregated cost	Spread + Account fee + Currency conversion fee = 25.43+0+0= €25.43		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = 25.43 / 8,456.45 = 0.301%		
Costs & Charges Effect on Investment			
Profit	(Open price – Close price) * Lot * Lot size = (1,795.76 – 1,792.83) * 1 * 100 = \$ 293		
Profit conversion	Profit / EURUSD rate = 293 / 1.06177 = €275.95		
Cumulative Effect of Profit on Return	(Profit conversion / Total Investment (Margin required)) * 100 = (275.95 / 8,456.45) * 100 = 3.26%		

<b>Cumulative Effect of Costs on Return</b>	$[(\text{Profit conversion} - \text{Cumulative Costs}) / \text{Total Investment (Margin required)}] * 100 = (275.95 - 22.89) / 8456.45 * 100 = 2.99\%$
<b>Reduction of profit due to Costs &amp; Charges</b>	$\text{Cumulative Effect of Profit on Return} - \text{Cumulative Effect of Costs on Return} = 3.26\% - 2.99\% = 0.27\%$

## 2.3 CFD in Shares

Investment Example			
Scenario Description	The client takes a long position (buys) 1 Lot of AMAZON share contract with a market price of \$87.80. The trade stays open for two days and closes at price of \$90.25.		
Trade Information			
Account Type	Standard	AMAZON share open price	\$87.80
Account Currency	EUR	AMAZON share close price	\$90.25
Open Trade	Long 1 Lot	EURUSD rate	\$1.06177
Leverage	1:5	Swap/Rollover fee	\$-2.58
Lot size	100 Shares		
Notional value	Number of Lots * Lot size * Open price = 1 * 100 * 87.80 = \$8,780.00		
Notional value conversion	Notional value / EURUSD rate = 8,780.00 / 1.06177 = €8,269.21		
Margin required	Notional value conversion / Leverage = 8,269.21 / 5 = €1,653.84		
Financial Instrument Charges			
Swap/Rollover fee	Swap/Rollover fee * two days – volume = -2.58 * 2 * 1 = \$-5.16		
Swap/Rollover fee conversion	Swap/Rollover fee / EURUSD rate = -5.16 / 1.06177 = €-4.86		
Commission fee	((0.35% * Open Price * Lot Size) / EURUSD Rate) +((0.35% * Close Price * Lot Size)) = ((0.35% * 87.80 *100) + (0.35% *90.25*100)) /1.06177 = = (30.73+31,59)/1.06177 = €58,69		
Aggregated cost	Swap/Rollover fee conversion + Commission fee = 4.86 + 58.69 = €63.55		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = 63.55 / 1,653.84= 3.842%		
Investment Services Charges			
Spread	(Ask price – Bid price) * Position size = (87.80 – 87.78) * 100 = \$2.00		
Spread conversion	Spread / EURUSD rate = 2.00 / 1.06177 = €1.88		
Account fee	N/A		
Currency conversion fee	N/A		
Aggregated cost	Spread conversion + Account fee + Currency conversion fee = 1.88 + 0 + 0 = €1.88		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = 1.88 / 1,653.84= 0.114%		
Costs & Charges Effect on Investment			
Profit	(Close price – Open price) * Lot * Lot size = (90.25 – 87.80) * 1 * 100 = \$245		
Profit conversion	Profit / EURUSD rate = 245 / 1.06177 = €230.75		
Cumulative Effect of Profit on Return	(Profit Conversion / Total Investment (Margin required)) * 100 = (230.75 / 1,653.84) * 100 = 13.95%		
Cumulative Effect of Costs on Return	[(Profit conversion – Cumulative Costs) / Total Investment (Margin required)] * 100 = ((230.75 – 65.43) / 1,653.84) *100 = 10.00%		
Reduction of profit due to Costs & Charges	Cumulative Effect of Profit on Return – Cumulative Effect of Costs on Return = 13.95 – 10.00 = 3.95%		

## 2.4 CFD in Indices

Investment Example			
Scenario Description	The client takes a long position (buys) 1 Lot of DE30 Index contract with a market price of €13,932.50. The trade stays open for two days and closes at price of €13,957.62.		
Trade Information			
Account Type	Standard	DE30 share open price	€13,932.50
Account Currency	EUR	DE30 share close price	€13,957.62
Open Trade	Long 1 Lot	EURUSD rate	N/A
Leverage	1:20	Swap/Rollover fee	\$-77.51
Lot size	10 Index		
Notional value	Number of Lots * Lot size * Open price = 1 * 10 * 13,932.50 = €139,325.00		
Margin required	Notional value / Leverage = 139,325.00 / 20 = €6,966.25		
Financial Instrument Charges			
Swap/Rollover fee	Swap/Rollover fee * two days = -77.51 * 2 = €-155.02		
Commission fee	N/A		
Aggregated cost	Swap/Rollover fee + Commission fee = €-155.02		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = 155.02 / 6966.25 = 2.225%		
Investment Services Charges			
Spread	(Ask price – Bid price) * Position size = (13,932.50 – 13,930.10) * 100 = €24		
Account fee	N/A		
Currency conversion fee	Non applicable since the account type is in the same currency as the underlying asset.		
Aggregated cost	Spread + Account fee = 24 + 0 = €24		
Aggregated cost %	Aggregated cost / Total Investment (Margin required) = 24 / 6966.25 = 0.345%		
Costs & Charges Effect on Investment			
Profit	(Close price – Open price) * Lot * Lot size = (13,957.62 – 13,932.50) * 1 * 10 = €251.20		
Cumulative Effect of Profit on Return	(Profit / Total Investment (Margin required)) * 100 = (251.20 / 6,966.25) * 100 = 3.61%		
Cumulative Effect of Costs on Return	[(Profit – Cumulative Costs) / Total Investment (Margin required)] * 100 = (251.20 – 179.02) / 6966.25 = 1.04%		
Reduction of profit due to Costs & Charges	Cumulative Effect of Profit on Return – Cumulative Effect of Costs on Return = 3.61 – 1.04 = 2.57%		



### 3. Other Costs and Charges

As per the provisions of the Client Agreement which can be found [here](#), the Company reserves the right to charge additional fees which are not related to the Financial Instrument or the Investment Service but are necessary to carry out transactions requested by the Client. Such fees are presented in the table below.

Fee	Description
Deposit/Withdrawal fee	The Company does not charge any deposit or withdrawal fees unless in certain cases where the client proceeds with the withdrawal of funds without conducting any trading. The client may be subject to fees imposed by credit institutions or payment services providers.
Chargeback	A fee equal to 30 USD can be charged by the Company to conclude a chargeback for covering the investigation expenses incurred.
Dormant Account	If a client account has been dormant for one hundred eighty (180) days, no trading activity, no logging in the account, no deposits or withdrawals, it will be charged with a quarterly maintenance fee of 30 EUR or the full balance of the account if the account balance is less than 30 EUR. No charge shall be applied for accounts with zero balance. In the event the client maintains more than one (1) trading accounts with the Company and at least one (1) of them is active, no dormant fee will be applied even if another account is deemed to have no activity.

From time to time, the Company may cooperate with affiliates in different countries who are able to introduce clients. Any affiliate acts as a mediator and in no way as an agent or part of the Company. Our affiliates are remunerated with a fixed commission decided between the Company and the affiliate and is provided by the Company's own funds with no connection to the transactions requested by or imposes additional costs to the client whatsoever.

### 4. Annual Report

An annual report shall be sent via email by the Company to its clients, providing an overview of the aggregated costs and charges including swap/rollover, spreads, commissions and dormant fees, incurred by the client account derived from the transactions concluded. The aggregated costs and charges shall be provided both in the form of cash value and as a percentage of the invested funds, on the account's base currency.

### 5. Review of the Policy

The Company reviews the Costs and Charges Policy at least annually and whenever deemed necessary. The latest version of the Policy is available through the Company's website.

We remain at your disposal if you have any questions or require further information about the costs and charges applied by the Company or the information provided through this Policy. You may contact us via email at [support@fbs.eu](mailto:support@fbs.eu) and we shall examine your request and revert accordingly without undue delay.