

# Cost transparency information under MiFID II

A variety of charges are levied by different service providers in connection with transactions in financial instruments. These charges affect the returns on investments. In this document, we provide various examples of transactions in financial instruments to enable clients to understand the overall costs and make investment decisions on an informed basis.

## Example: investment fund denominated in a different currency from the settlement account

The following is an illustration of the costs charged in connection with fund securities transactions:

General information on the financial instrument<sup>1</sup>

Type	Purchase
Currency	EUR
Number	100.00
Position	Foreign fund
Security No./ISIN	
Trading venue	OeKB
Price	EUR 126.41
Conversion rate	EUR/CHF 1.168543
Market value	CHF 14,771.55
Execution date	30.10.2017
Value date	02.11.2017

Costs incurred in CHF

	Entry charge <sup>2</sup>		Ongoing charges <sup>3</sup>		Exit charge <sup>4</sup>	
Bank Alpinum service charges <sup>5</sup>	1.20%	177.26	0.30%	44.31	1.20%	177.26
Third-party service charges <sup>6</sup>	0.34%	50.00			0.34%	50.00
Product charges <sup>7</sup>	0.89%	131.47	0.89%	131.47		
Taxes and duties <sup>8</sup>	0.15%	22.16			0.15%	22.16
Foreign currency charges <sup>9</sup>	1.40%	206.80			1.40%	206.80
<b>Overall costs</b>	<b>3.98%</b>	<b>587.69</b>	<b>1.19%</b>	<b>175.78</b>	<b>3.09%</b>	<b>456.22</b>

These costs have the effect of reducing investment returns as follows<sup>10</sup>

Year	Costs	
During the first year of investment	4.28%	632.00
Per year from the second year of investment onwards	1.19%	175.78
In addition, in the year of disposal	3.09%	456.22

The values shown are illustrative only and do not take account of the actual size of the transaction or specific client agreements. Actual costs may differ from the stated values. Further information on fees and charges is available on the website of Bank Alpinum AG [www.bankalpinum.com](http://www.bankalpinum.com) (see document "Fees and Commissions").<sup>11</sup>

<sup>1</sup> General information on the securities transaction.

<sup>2</sup> Entry charge: one-off charge on purchasing securities.

<sup>3</sup> Ongoing charges: amounts charged on a regular basis throughout the holding period for the security.

<sup>4</sup> Exit charge: one-off charge on selling securities.

<sup>5</sup> Bank Alpinum fees: brokerage charged on purchases/sales, custody account fees and, where applicable, foreign surcharges.

<sup>6</sup> Third-party fees: brokerage charged by external brokers and/or custodian delivery charges.

<sup>7</sup> Product charges: in general, these charges only apply to funds and structured products and are credited to the fund company or issuer.

<sup>8</sup> Taxes and duties: these would include value added tax charged to clients based in Liechtenstein and Switzerland, exchange fees or transfer stamp tax.

<sup>9</sup> Foreign currency charge: currency conversion fee charged in respect of securities denominated in a currency other than the currency of the settlement account.

<sup>10</sup> In summary, the table above shows how costs affect returns on the relevant investment. The impact of costs on returns should be viewed in the context of the overall portfolio and the total holding period of the investment.

<sup>11</sup> Disclaimer in relation to securities transactions.

**Example: domestic equities**

Type	Purchase
Currency	CHF
Number	300.00
Position	Swiss equities
Trading venue	SIX Swiss Exchange
Price	CHF 82.85
Conversion rate	CHF/CHF 1.00
Market value	CHF 24,855.00
Execution date	17.11.2017
Value date	21.11.2017

Costs incurred in CHF

	Entry charge		Ongoing charges		Exit charge	
Bank Alpinum service charges	1.00%	248.55	0.30%	74.55	1.00%	248.55
Third-party service charges	0.07%	17.00			0.07%	17.00
Product charges						
Taxes and duties	0.08%	18.64			0.08%	18.64
Foreign currency charges						
<b>Overall costs</b>	<b>1.14%</b>	<b>284.19</b>	<b>0.30%</b>	<b>74.55</b>	<b>1.14%</b>	<b>284.19</b>

These costs have the effect of reducing investment returns as follows

Year	Costs	
During the first year of investment	1.44%	358.74
Per year from the second year of investment onwards	0.30%	74.55
In addition, in the year of disposal	1.14%	284.19

**Example: foreign equities**

Type	Purchase
Currency	USD
Number	60.00
Position	Foreign equities
Trading venue	Nasdaq
Price	CHF 166.67
Conversion rate	USD/USD 1.00
Market value	USD 10,000.00
Execution date	17.11.2017
Value date	21.11.2017

Costs incurred in USD

	Entry charge		Ongoing charges		Exit charge	
Bank Alpinum service charges	1.90%	190.00	0.30%	30.00	1.90%	190.00
Third-party service charges	0.28%	27.89			0.28%	27.89
Product charges						
Taxes and duties	0.15%	15.00			0.15%	15.00
Foreign currency charges						
<b>Overall costs</b>	<b>2.33%</b>	<b>232.89</b>	<b>0.30%</b>	<b>30.00</b>	<b>2.33%</b>	<b>232.89</b>

These costs have the effect of reducing investment returns as follows

Year	Costs	
During the first year of investment	2.63%	262.89
Per year from the second year of investment onwards	0.30%	30.00
In addition, in the year of disposal	2.33%	232.89

The values shown are illustrative only and do not take account of the actual size of the transaction or specific client agreements. Actual costs may differ from the stated values.

**Example: domestic bonds**

Type	Purchase
Currency	CHF
Nominal value	15,000.00
Position	Domestic bonds
Trading venue	SIX Swiss Exchange
Price	100%
Conversion rate	CHF/CHF 1.00
Market value including accrued interest	CHF 15,067.65
Execution date	17.10.2017
Value date	19.10.2017

Costs incurred in CHF

	Entry charge		Ongoing charges		Exit charge	
Bank Alpinum service charges	0.80%	120.54	0.30%	45.00	0.80%	120.54
Third-party service charges	0.08%	12.00			0.08%	12.00
Taxes and duties	0.08%	13.03			0.08%	13.03
<b>Overall costs</b>	<b>0.97%</b>	<b>145.57</b>	<b>0.30%</b>	<b>45.00</b>	<b>0.97%</b>	<b>145.57</b>

These costs have the effect of reducing investment returns as follows

Year	Costs	
During the first year of investment	1.26%	190.57
Per year from the second year of investment onwards	0.30%	40.00
In addition, in the year of disposal	0.97%	145.57

The values shown are illustrative only and do not take account of the actual size of the transaction or specific client agreements. Actual costs may differ from the stated values.

**Example: foreign-exchange forward transaction**

You sell	CHF 10,000.00
Conversion rate	GBP/CHF 1.248693
You buy	GBP 8,008.37
Charged to you (at maturity)	CHF 10,000.00
Credited to you (at maturity)	GBP 8,008.37
Order date	30.06.2017
Value date	31.12.2017

Costs incurred in CHF

	Entry charge		Ongoing charges		Exit charge	
Product charges	1.40%	140.00				
<b>Overall costs</b>	<b>1.40%</b>	<b>140.00</b>				

These costs have the effect of reducing investment returns as follows

Year	Overall costs	
During the first year of investment	1.40%	140.00

The values shown are illustrative only and do not take account of the actual size of the transaction or specific client agreements. Actual costs may differ from the stated values.

- As a general rule, only one-off costs are charged at the time of executing foreign-exchange forward transactions.
- These costs are equal to the margin, including third-party costs, charged by Bank Alpinum for settlement of the transaction.

The actual costs incurred may differ from the above examples. However, you will receive an annual statement itemising the costs you have incurred over the year in connection with investments.

## Third-party fees, costs and product charges

<b>Taxes and duties</b>	<b>Minimum/maximum<sup>12</sup></b>	<b>In %<sup>12</sup></b>
Swiss transfer stamp tax		0.15% to 0.30%
Stamp duty, UK and Irish securities		0.50% to 1.00%
Other duties/transfer stamp tax		0.0325% to 0.50%
French financial transaction tax		0.30%
Italian financial transaction tax		0.10%
Stock exchange turnover tax (depending on stock exchange)		0.00% to 0.30%
<b>Exchange fees<sup>13</sup></b>		
SWX – turnover fee for securities transactions	CHF 1.50 to CHF 50	0.0065%
Berne eXchange	CHF 10 to CHF 50	0.01%
HK, SG, IND, PHI stock exchanges, etc.		0.01% to 0.054%
SEC fee (USA)		0.00231%
<b>Third-party brokerage</b>		
Equities, liquid markets	CHF 12 to CHF 30	0.08% to 0.12%
Equities, Euxax and German regional exchanges	CHF 30 to CHF 40	0.08% to 0.12%
Equities, other liquid markets	CHF 30 to CHF 40	0.12% to 0.15%
Equities, emerging and frontier markets	CHF 40 to CHF 225	0.25% to 1.20%
Eurex-traded options	CHF 50	0.60%
Eurex futures	CHF 50	CHF 10 per contract
Forex options	CHF 75	0.40% to 0.60%
Precious metals transactions	CHF 20	0.10%
Metal account charges		0.20% (gold) to 0.50% (remainder)
OTC fixed-income securities	CHF 75 to CHF 100	
Funds and products equivalent to funds (excluding ETFs)	CHF 50 to CHF 75	
Private equity and hedge funds	CHF 225 to CHF 300	
<b>Fund charges</b>		
Front-end load		0.00% to 5.00%
Back-end load		0.00% to 5.00%
Management charges		0.00% to 3.00%
<b>Product charges</b>		
Structuring charges		0.00% to 3.00%
Performance charges		0.00% to 20.00%
Transaction charges		0.00% to 0.50%
Other product charges		Dependent on issuer

<sup>12</sup> The charges and ranges shown are estimates based on empirical data and are non-binding.

<sup>13</sup> Minimum, depending on stock exchange.