

Accuindex EU Ltd (ex. Ruizean Markets Ltd)

COSTS AND ASSOCIATED CHARGES

Last Updated on November 2019

1. Introduction

1.1. Accuindex EU Ltd (ex. Ruizean Markets Ltd) (the “Company”, “we”), is a Cyprus Investment Firm (“CIF”) incorporated and registered under the laws of the Republic of Cyprus, with registration number HE 360650. The Company is authorised and regulated by the Cyprus Securities and Exchange Commission (“CySEC”) under license number 340/17.

1.2. This Costs and Associated Charges Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 87(I)/2017, as subsequently amended from time to time (“the Law”).

Pursuant to the Law, the Company is required to ensure that the information on costs and associated charges, which may have incurred when trading with the Company, are disclosed to clients on both ex-ante and ex-post basis.

2. Definitions

‘**Commission fee**’ is charged when a client enters into a CFD transaction based on the account type of the respective client and the notional value of the trade (Please refer to Section 19 in Client Agreement).

‘**Currency Conversion**’ is charged for converting any realised profits/losses and/or other fees that are denominated in a currency different to your account currency. The conversion fee that applies only when (a) the transferring of funds between accounts with different base currency is taking place and (b) the account’s base currency is different from the quoted currency of the traded underlying asset therefore a currency conversion is necessary.

‘**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). That is, the Company will simply add or deduct from a client’s trading account an interest rate for rolling over (i.e. holding/transferring) open position relating to finance transactions generated through an account to the next day.

‘**Dormant fee**’ is a monthly fee imposed on trading accounts which have become archived due to inactivity (trading/withdrawals/deposits) for a period of ninety (90) calendar days, and which have available balance in the account.

3. Costs and Charges:

3.1. Types of Costs and Charges Incurred

One-off charges related to the provision of an investment service:	Spread	The spread that the Company charges you reflects, in part, the spread of the underlying exchange where the underlying asset is traded on, plus a mark-up depending on the trading account type.
	Commission	The Company is not charging any additional commission for both kinds of accounts when the client is entering into a CFD transaction.
	Currency conversion for trades	The Company does not apply additional fees for this type of cost. The amounts are converted automatically at the prevailing market prices.
Ongoing charges related to the provision of an investment service:	Swaps	The Company applies an overnight financing/swap fee for all positions held open after 22:00GMT (21:00GMT during DST) and a 3-day rollover strategy on Wednesday for all positions kept open over the weekend.
Other costs	Currency Conversion for internal transfers	Transferring of funds between your Wallet and trading accounts with different base currency, is subject to exchange rate conversion. The conversion rate is taken from the Company’s Platform at the time of the transfer.
	Dormant fee	Dormant fee applies only to accounts that remain inactive for a period of ninety (90) calendar days. No charge is the free balance equals to zero.

3.2. Examples based on Performance Scenarios

3.2.1. CFDs on Forex:

Example: BUY 1 LOT EUR/USD

Account Base Currency: EUR

Trade Size (Lot x Contract Size): 100,000 units (1 Lot)
 BID/ASK Price: 1.15685 / 1.15701 (Spread 1.6 pips)
 Leverage: 1:30 (3.33% margin percentage)
 Margin Requirement (Trade Size x Margin x ASK Price): EUR 3,330
 Swap for LONG/BUY Positions: -7.34 Points
 End of Day Exchange Rate of EUR/USD: 1.15718

Open the Trade on Monday and Close at:	Spread (EUR)	Commission (EUR)	Swap (EUR)	Cost on Investment
Same Day	-13.83	0	0.00	-0.60%
1 Day	-13.83	0	-6.34	-0.79%
2 Days	-13.83	0	-12.69	-0.98%
3 Days (Inc. Wednesday - Swaps x 3)	-13.83	0	-31.72	-1.55%

Note:

- i. The spread and commission is one-off cost and charged upon opening of the transaction at once for both operations (open and close).
- ii. For the purpose of this example, we assume that the end of day exchange rate is the same for all days.

Spread: $(1.15685 - 1.15701) \times 100,000 = -\text{USD } 16 \Rightarrow -\text{EUR } 13.83$ (-USD 16/1.15718)

Swap (1 Day): $-7.34 \times 1 \times 100,000 \times 0.00001 \times 1 = -\text{USD } 7.34 \Rightarrow -\text{EUR } 6.34$ (-USD 7.34/1.15718)

Swap (2 Days): $-7.34 \times 1 \times 100,000 \times 0.00001 \times 2 = -\text{USD } 14.68 \Rightarrow -\text{EUR } 12.69$ (-USD 14.68/1.15718)

Swap (3 Days): $-7.34 \times 1 \times 100,000 \times 0.00001 \times 5 = -\text{USD } 36.70 \Rightarrow -\text{EUR } 31.72$ (-USD 36.70/1.15718)

Cost on Investment = (Spread + Commission + Swap) / Margin Requirement

3.2.2. CFDs on Commodities:

Example: SELL 1 LOT GOLD (XAU/USD)

Account Base Currency: USD

Trade Size (Lot x Contract Size): 100 ounces (1 Lot)

BID/ASK Price: 1459.72 / 1459.86 (Spread 1.4 pips)

Leverage: 1:20 (5% margin percentage)

Margin Requirement (Trade Size x Margin x BID Price): USD 7,298.6

Swap for SHORT/SELL Positions: 3.25 points

Open the Trade on Monday and Close at:	Spread (USD)	Commission (USD)	Swap (USD)	Cost on Investment
Same Day	-14	0	0	-0.22%
1 Day	-14	0	3.82	-0.17%
2 Days	-14	0	7.64	-0.11%
3 Days (Inc. Wednesday - Swaps x 3)	-14	0	19.1	0.04

Note:

- i. The spread and commission is one-off cost and charged upon opening of the transaction at once for both operations (open and close).
- ii. Since the Account Base Currency is the same as the traded symbol's quoted currency, there is no need to convert the amounts

Spread: $(1459.72 - 1459.89) \times 100 = -\text{USD } 14$

Swap (1 Day): $3.82 \times 1 \times 100 \times 0.01 \times 1 = \text{USD } 3.82$

Swap (2 Days): $3.82 \times 1 \times 100 \times 0.01 \times 2 = \text{USD } 7.64$

Swap (3 Days): $3.82 \times 1 \times 100 \times 0.01 \times 5 = \text{USD } 19.1$

Cost on Investment = $(\text{Spread} + \text{Commission} + \text{Swap}) / \text{Margin Requirement}$

3.3. Annual Report on the Costs and Associated Charges

An overview of the aggregated costs and charges (i.e. including the swap charges, spreads, commissions and dormant fee, if applicable) derived from clients' transactions in regard to each of their trading account(s) will be provided, via email, to each client, on an annual basis. This information will be sent to the Company's clients both as cash amount and as a percentage of the costs and associated charges imposed on the invested funds, on each account's base currency. This will help client to understand the costs and associated charges imposed on their trading account(s) according to their trading activity throughout the year.