



## **COMMISSIONS, CHARGES & MARGIN SCHEDULE**

Effective as of 30th July 2018

30 July 2018

Saxo Capital Markets UK Limited is a company authorised and regulated by the Financial Conduct Authority, registration Number 551422. Registered address: 26th Floor, 40 Bank Street, Canary Wharf, London E14 5DA.

This schedule outlines the various commissions, charges, margins, interest, any other rates and important information that you should be aware of and/or are referred to in our General Business Terms.

## **1. Your Base Currency Account and Currency Conversion**

The base currency of your account(s), is the currency denomination that you have selected for your main account according to application submitted to open an account with us. Currency conversions of trading costs as well as profits and losses from trading activities are done using the mid-spread FX Spot rate when you close the position, plus/minus 1%. For FX Options the rate is plus/minus 0.1%.

The Currency Conversion fee does not apply to margin collateral. Only settlement of actual payments to or from the trading account are included, for example, buying/selling cash Stocks, paying/receiving options premium etc.

The rate used for currency conversion of amounts booked to your account is shown in the trading platforms under the “Trades Executed” report.

## **2. Multiple Accounts (including Sub Accounts)**

You may be permitted, at our discretion, to open multiple accounts which can be denominated in the same or a different currency to that of your main account. If you have multiple accounts with us, you should consider the following:

- I. opposite positions of rolling spot forex in the same currency cross on the same account will effectively cancel each other out. However, opposite positions of rolling spot forex in the same currency cross across different accounts will not cancel each other and will be continuously rolled over until closed by you or us;
- II. if you operate multiple main accounts (as opposed to one main with one or more sub- accounts), you should note that any funds deposited on one main account will not be considered as margin collateral for another main account, unless we agreed otherwise in writing. Therefore, the margin requirements are applied severally on each main account. Consequently, a default resulting in a compulsory close-out of open margined positions in one main account could occur even though another main account has funds available for margin trading;
- III. Interest on your main account is calculated on the Net Free Equity and interest on your sub-accounts is calculated on the Account Value.

## **Net Free Equity**

Net Free Equity is defined as:

- The cash balance of the main trading account
- Plus or minus any unrealised profits or losses from any open positions on your main trading account
- Plus the market value of any FX Options on your main trading account
- Minus any margin required for financing open positions on your main trading account and sub-accounts

To avoid paying overdraft interest on your account you are required to hold sufficient cash collateral ensuring a positive Net Free Equity Balance.

For the purpose of calculating Net Free Equity, the margin financing used in Net Free Equity calculations can be found in the platform.

## **Account Value**

Account Value of your sub-account is defined as:

- The cash balance of the account
- Plus or minus the value of any unrealised profits or losses from any open positions on the account
- Plus the market value of any FX Options, Stocks, Bonds, ETFs and other funds on the account

Since the Net Free Equity is calculated on open positions on all your accounts, it is important to ensure you maintain sufficient cash balance in your main account. Otherwise, in some circumstances, you risk being subject to debit interest charges on your main account exceeding the credit interest payable on your sub-account(s).

### 3. Interest Rates

#### Account Interest Private Retail Clients

We shall pay interest or charge interest to your account based on the following calculation:

Your account will not be eligible for credit interest if the positive Net Free Equity and/or Account Value are equal to or less than USD 15,000 (or currency equivalent). For positive Net Free Equity and /or Account Value exceeding USD 15,000, credit interest is payable at LIBID minus 3%.

Your account will incur debit interest for deficit Net Free Equity and/or Account Value at LIBOR plus 8%.

Any applicable credit or debit interest will be accrued daily and settled within seven business days following the end of each calendar month.

#### Account Interest Corporate Retail Clients

The following interest rates apply to funds deposited with SCML:

- For positive Net Free Equity interest will be the higher of market bid rates minus a mark-up and zero. Interest will be paid on the full amount for all Account Values.
- For negative Net Free Equity interest will be market ask rates plus a mark-up, however never less than the mark-up. Interest will be charged on the full amount for all Account Values

As of 1 March 2017, SCML will charge negative interest rates on our standard offering in relevant reference currencies. The charge will apply to balances above the threshold currently indicated in the table below.

On the main trading account, this threshold will be applied to the available Net Free Equity and, in the case of sub-accounts to the account value. The negative interest will be calculated daily for the account credit balance exceeding the threshold and debited to the main trading accounts or sub-accounts at the end of each month for the interest period of the previous month.

The rates charged are subject to change.

NEGATIVE INTEREST RATES		
CURRENCY	THRESHOLD	NEGATIVE INTEREST RATE (p.a.)
EUR	250,000	-0.40%
CHF	250,000	-0.75%
DKK	2,000,000	-0.65%
SEK	2,500,000	-0.50%

#### **4. Margin utilisation and Compulsory Close Out Policy**

Before you open a Margin Trade you are required to have sufficient margin collateral in your account that is at least equal to the initial margin requirement as indicated on the relevant product trading rates and conditions page or displayed on the trading platform. The margin is usually a small percentage of the overall value of the contract.

Although the margin required is small in comparison to the overall value of the contract, price movement may result in the requirement to place additional funds at a short notice to maintain the position(s). You will need to satisfy the margin requirements and failure to do so may result in a compulsory close-out of the open margined position(s).

Therefore, it is not just vital but also your responsibility to effectively manage and monitor your account at all times to ensure that it does not breach 100% margin utilisation. If your account breaches 100% margin utilisation, then automatic margin close-out will commence, and consequently positions will be closed and existing orders will be cancelled.

#### **5. Product Trading Rates & Conditions**

Please refer to the platform for information on Product Rates and Conditions.

#### **6. Inactivity Charges**

We charge a fee of £25 (or currency equivalent based on base currency) per quarter if you have not traded in the previous quarter. These fees will be applied during the first week of the following quarter month, as long as your account remains inactive and continues to hold funds.

The quarters are demonstrated below:

- Q1 - January, February, March
- Q2 - April, May, June
- Q3 - July, August, September
- Q4 - October, November, December

A trade is defined as opening or closing a position and the fee will not be charged if you trade at least once per quarter.

Please note that the inactivity charge cannot reduce your account balance below zero.

## 7. Custody Fee

A fee of 0.12% p.a. is charged on accounts with open Bond, Stock and ETF/ETC positions, with a minimum monthly fee of EUR 5 (or account currency equivalent). Fees are calculated daily, but debited on a monthly basis.

For more information about the custody fee, read these [FAQs](#).

## 8. Manual Order Fee

Clients placing orders over the phone, chat or email will be subject to a manual order fee of EUR 50 per order. Certain products which cannot be traded on the platform (such as market-made instruments on the LSE, offline bonds, and specific algorithmic orders) and must be executed with the help of the trading desk can still be done free of charge.

## 9. Transfer Out Fee

For transfers of Stocks to your account outside Saxo, an exit fee will be charged. The fees are as follows:

- Stocks: 50 EUR per ISIN (max. 160 EUR)

## 10. Currency conversion fee

Currency conversions are applied to trading costs or profits and losses when converting a trade into the base currency of a client's account.

For cash products (stocks, bonds, ETFs and the premium on options) currency conversions are charged on the purchase and sale at the mid FX Spot rate, plus/minus 1%.

For derivative products\* currency conversions are charged on the profit and loss at the mid FX Spot rate, plus/minus 1%.

\*For FX Options the rate is plus/minus 0.1%.

The Currency conversion fee does not apply to margin collateral. Only settlement of actual payments to or from the trading account are included, for example, buying/selling cash Stocks, paying/receiving options premium etc.

The rate used for currency conversion of amounts booked to your account is shown in the trading platforms under the "Trades Executed" report.

## 11. Carrying Cost on Futures, Listed Options and Expiring CFDs

From 1 July 2017, positions held overnight in Futures, Listed Options and Expiring CFDs will be subject to a carrying cost.

The carrying cost will be calculated on the basis of the daily margin requirement and applied when a position is held overnight. It will be charged at the end of each month. The funding rate used for calculating the carrying cost is based on the relevant Interbank-rate + markup (150 bps).

**Carrying Cost** = *Margin requirement \* Days held \* (Relevant Interbank rate + Markup) / (365 or 360 days).*

## 12. Holding Fee on Bought Options (Not applicable to FX Options)

From 1 May 2018, holding fees on long option positions (all maturities) will not be applied for the first 30 days. Holding fees will only apply after 30 days of holding a position. The fee will be calculated daily based on the below schedule and charged end-of-month.

Category	Interest rates	Foreign-exchange rates and Gold	Equities	Precious metals, except gold	Commodities, except precious metals
> 30 days holding the position	0.10	0.70	1.10	1.00	1.60

**Holding Fee per day** = *Nominal Value / 1,000,000 \* Underlying Category Fee*

## 13. Fee for Report Mailing Services

Clients are able to access extensive account reporting tools from the trading platforms, including Account and Financial Statements, Portfolio Reports, and Trades Executed.

From 1 January 2018 we are introducing a fee of USD 50 for Classic clients requesting online reports to be delivered by standard mail or email. This fee will also apply for third-party requests for reports from, for example, auditors.

## 14. FX Options Minimum Ticket Fee

From 12th March 2018 small trade sizes will incur a minimum ticket fee of 10 USD. A small trade size is any trade below the commission threshold which for most currency pairs is 50,000 units of base currency, however variations occur. Full details on minimum commission thresholds [can be found here](#).