

Preliminary Calculation of Costs

General Information

Product Group: Bonds (Debt securities – Transferable securities)

Concorde Investments Ireland Ltd. (hereafter referred to as CII) has an obligation to provide detailed preliminary information on the costs and charges that clients will pay when they intend to invest in financial instruments. This document is specific to the costs and charges associated with the above product group and is applicable when a client receives an investment service from CII. CII shall provide aggregated costs and charges when it distributes or recommends financial instruments to clients and/or provides investment services which require a UCITS KIID (or PRIIPs KID) in relation to the financial instrument.

The document describes detailed ex-ante information, stipulated by regulations, which you will receive in relation to the relevant costs and charges.

This information covers the expected costs associated with the acquisition, holding and termination (eg. sale, closing account) of investments in the above product group and also covers the effect on return on your investment.

The costs and fees shown are for information purposes only as the exact amount can only be determined following the conclusion of the transaction in light of the actual investment period (ex-post) and the provision of the related services.

Please read the “Important Information” section at the end of this document taking it into account when making your investment decision. This information may also influence the cost and cost elements of your investment and the impact on return on your investment.

With the following information, we aim to provide our customers with a transparent statement of expected costs and their impact on return. Your investment advisor will inform you of the related charges ex-ante (up front), in so far as they are available, at the time of the provision of our services. If you are unclear about the below presentation and calculation of fees and costs, or for any other reason you need more information or a more detailed explanation, or you require assistance in determining the fees and costs associated with your specific investment, you are encouraged to contact your investment advisor.

We would remind you also to carefully study CII’s Fee Schedule which is available on our website www.ciireland.com

CII is required to provide aggregated costs and charges associated with investment services and also with the relevant financial instrument.

A. The following relevant fees and charges are taken into account throughout the below presentation. Not all fees and charges will be applicable to an investment. Our calculations are also in line with CII’s Fee Schedule:

1. Charges and costs of investment services, additional services provided by CII

- one-off fees for the commencement and termination of service provision (eg. account opening or closure);

- transaction costs (e.g. commissions, fees related to purchase or sale);
- ongoing costs associated with maintaining the investment (eg. safekeeping and administration).
- Incidental costs.

2. Costs and Charges associated with the financial instrument (Bonds)

Bonds as a product group (Debt securities) outlined in this document are direct transferable securities without built-in ongoing management costs, as opposed to PRIIPs (packaged or manufactured products) or collective investment vehicles. Therefore:

- There are no one-off fees relating to the provision of the service of the acquisition of the product.
- Ongoing costs related to transactions are not applicable to this product.
- Ongoing product costs incurred during the investment process relating to the management of the product are not applicable to this product.
- There are no incidental costs associated with this product.

As a result we note that CII does not charge or earn such fees in relation to the product.

B. Taking the above cost elements and CII's Fee Schedule into account, the following sets out the approximate costs that could be incurred when investing in the above product group with CII:

1. Service charges, costs:

- Bonds all markets/types:
 - o orders for buy: 0.3% minimum EUR 100,
 - o orders for sale: 0.3% minimum EUR 100.
- Account opening/closing fee: EUR 0
- Safekeeping and administration fee: 0.48%/year
- Investment advice: free of charge
- Money and security transfer (out): 0.3% minimum 100 EUR
- Taxes (VAT, Stamp Duties and Financial Transaction taxes)

C. Costs and Charges associated with the product As set out under A 2 above there are no costs and charges associated with the product. The effect of investment costs on return (illustrated by example):

Please be advised that the calculations and illustrations shown below are broadly the same for all Bonds in the above product group.

In our example, the client opened an account with CII, where he placed EUR 100 000. A Bond was purchased in the amount of EUR 98 500. The investment was held for one year. After one year, the customer decided to sell the Bond and closed his account with CII. Proceeds were transferred to the client's bank account. There were, as a result, two transactions on the account during the period.

Opening the account did not incur any cost to the client, as account opening at CII is free of charge. Similarly, investment advice provided (if the client was advised on that Bond) did not incur any cost.

The client invested EUR 98 500 into the investment fund incurring a one-time transaction fee of 0.3% or in this example EUR 295.5. A residual amount was kept on the client's account, to

meet recurring monthly charges associated with safekeeping and administration and also to pay transaction fees. The client paid 0.48% per year equating in this example to EUR 477.53 for safekeeping and administration.

When selling the Bond, a transaction fee of 0.3%, or EUR 301.41 was incurred. In this example we assumed that the selling price was the same as the purchase price, or EUR 98 500 (ie. we did not consider any capital gains or losses – this way the impact of service costs is more transparently demonstrated). A transfer of the funds (money) to the client’s own bank account also incurred a cost of 0.3%, EUR 302.69 fee. Closing the account with CII was free of charge.

In this example we will calculate with a hypothetical return of 2% (EUR 1 970 on the investment of EUR 98 500) for the Bond. With his investment, the client delivered (after costs), a total of EUR 592.88, ie. 0.59%, annualised net profit. The annual gross investment return of 1.97% was reduced by 1.38% because of the costs incurred in providing the service by CII. In this example no third-party fees are included, given bonds are direct (non-manufactured or non-packaged) investment instruments.

	Costs in EUR	% Costs
Transaction Fees		
Fee for purchase	EUR 295.50	0.30%
Fee for sale	EUR 301.41	0.30%
Ancillary service charges		
Safekeeping/administration Fee	EUR 477.53	0.48%
Fee for money transfer	EUR 302.69	0.30%
Total Service costs (by CII)	EUR 1 377.13	1.38%
Third party (Manufacturer’s) fee	N/A	0.00%
Total costs in aggregate	EUR 1 377.13	1.38%

While direct investments into transferable securities (Bonds or Equities) are more cost efficient compared to packaged products (or PRIIPs), or collective investment vehicles like traditional mutual funds, or even ETFs, it is still of utmost importance to understand that service cost for maintaining and the investments can be significant especially in the current “low-yield” environment, and frequent trading (buying and selling within the year) can eliminate any potential return expected from the Bond investment. We advise all investors to study CII’s Fee Schedule and consider all cost elements and their impact on return.

Important Information

This document does not qualify as financial advice, tax advice, call for proposal, or an incentive to enter into transactions. The purpose of this document is to provide preliminary information on the costs and cost elements of CII's financial services in the above product group, and their impact on the return on the investment.

Where the exact charge and cost item is not known during the investment period, CII shall use an estimation. Therefore, the costs and fees actually incurred for the investment may be different from those contained in this document. Please note this when making your investment decision.

The fees shown in this document, associated with our investment services are based on the fees listed in CII's Fee Schedule in force at the time of the publication of this document. Therefore, based on scale discounts with the customer, the fees charged to the customer may be more favourable than those indicated.

It is important to note that while CII can inform you of its fees, other costs may arise in relation to the investment, depending on the client's tax residence, personal circumstances - especially tax and other public charges, – which can be charged to the client and are related to the investment, but are independent of the service provided by CII.

These elements of cost – including certain taxes and public charges - are not considered to be costs associated with the provided service, so they are not included in the preliminary cost calculation. In the above, costs related to the provision of CII's services directly related to the investment, as well as the product costs related to the investment were taken into account.

The information contained herein and the example do not include cost items that are potentially related to the investment in connection with other services provided on the customer's request (eg. securities blockings, individual certificate fee, etc.). CII will report individually on costs related to these services, should they arise. Information on these is available in CII's Fee Schedule.

CII reserves the right to amend this document. If you have any further questions regarding cost calculation, please contact your investment advisor.

Warning: The value of your investment may go down as well as up and you may get back less than you invest.