

Information on the expected costs of the product offered and the service provided

I. Expected costs associated to a binary option transaction

Expected costs associated with the purchase of a binary FX option		
Type of costs	Value in EUR	Percentage value
Product costs	1 000 € - 2 000 €	0.10% - 0.20%
- one-off costs	1 000 € - 2 000 €	0.10% - 0.20%
Service costs	5 000 € - 10 000 €	0.50% - 1.00%
- one-off costs	5 000 € - 10 000 €	0.50% - 1.00%
Payments from third parties	0 €	0%
Total costs	6 000 € - 12 000 €	0.60% - 1.20%

Expected costs and fees related to a sale of a binary FX option		
Type of costs	Value in EUR	Percentage value
Product costs	1 000 € - 2 000 €	0.10% - 0.20%
- one-off costs	1 000 € - 2 000 €	0.10% - 0.20%
Service costs	0 € - 2 000 €	0.00% - 0.20%
- one-off costs	0 € - 2 000 €	0.00% - 0.20%
Payments from third parties	0 €	0%
Total costs	1 000 € - 4 000 €	0.10% - 0.40%

Description of the parameters of a binary FX option, for which the calculations were made

Client buys a binary FX option on EUR/USD with the following parameters:

- Nominal value – EUR 1 000 000
- Barrier type – Up and In
- Barrier – 1.1000
- Term – 3 months
- The above total costs do not include the average market value of the premium (calculated through Bloomberg¹) and based on an indicative nominal value of EUR 1 000 000.
- Average market value of the premium (calculated through Bloomberg) – EUR 10 500
- Product costs – EUR 1 000
- Service costs – EUR 5 000
- Premium paid by the customer: 10 500 + 1 000 + 5 000 = EUR 16 500

The client – buyer of the option owes the Bank a premium for purchasing the option, which includes the average market value of the premium, the cost of the product and the cost of the service. If currency conversion is required, the official currency bulletin of the Bank shall be attached.

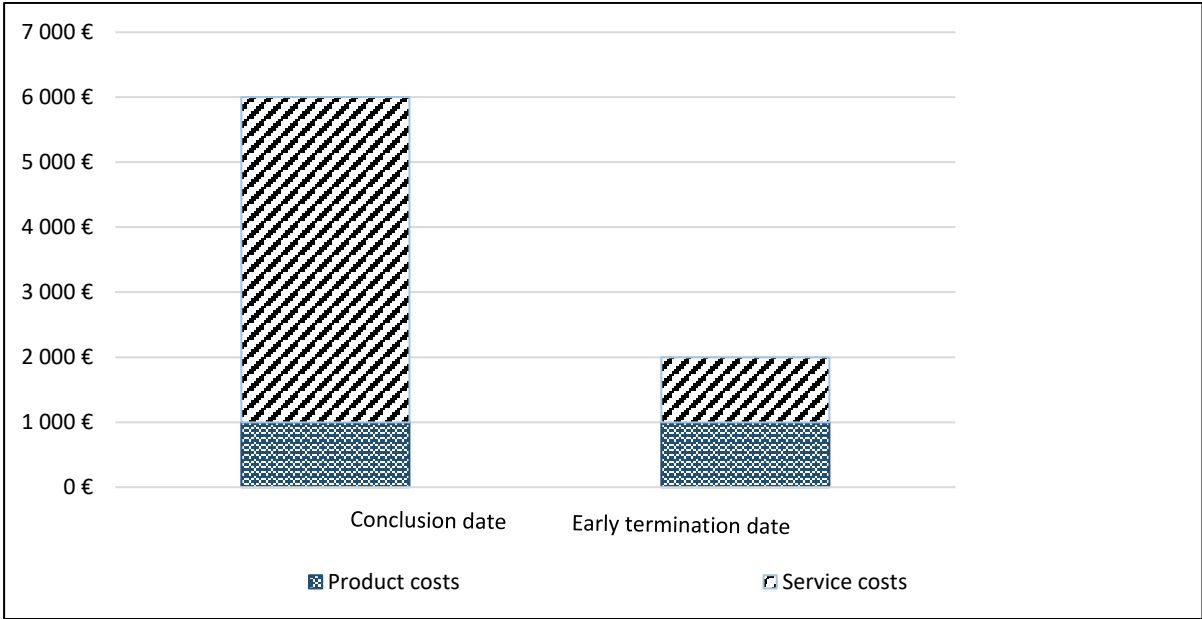
The payment of the premium is made from the client's current account with DSK Bank and is deducted from the bank upon purchase of the option.

II. Cumulative effect of costs in the provision of investment services on returns

Considering the characteristics of the binary FX option product, no spikes or fluctuations in the specified in pt. I above costs are expected when concluding a binary FX option transaction and selling it before maturity. The illustration below graphically presents these costs as there are no current costs for the binary FX option.

The effect on the outcome for the client of the conclusion of the binary FX option transaction referred to above in p. I., is presented in percentage terms - when concluding the binary FX option and when selling it before maturity.

Expected costs for concluding the transaction and expected costs upon early termination:



The expected transaction costs are calculated on the basis of the parameters of the example set out in p. I above.

¹ Bloomberg is an information system for markets in financial instruments, including a system for providing quotes and trading between leading international financial institutions.