



## STANDARD COST FOR EMISSIONS TRADING

This note provides you the most important information regarding the costs of trading allowances. It is required by the law, Article 50 of Commission Delegated Regulation (EU) 2017/565 supplementing Directive 2014/65/EU (“MIFID II”) and by the section 40 of the Hungarian Act on Investment Firms that we inform you about the costs involved before you enter into a trade.

### 1. WHAT DOES IT MEAN TRADING COSTS ACCORDING TO MIFID II?

Costs are the equivalent to the difference between the price of the product or an economically equivalent product on the exchange and the counterparty’s price at the time of entering into a trade.

### 2. WILL THESE COSTS BE THE SAME FOR EVERY TRADE?

The standard costs in this note are general indicative information. The difference between both costs are based on different factors, such as client’s credit rating, market conditions, volume of units to trade and any credit support given by Vertis.

### 3. COST INDICATION FOR TRADING 400.000 EUROS VALUE

	Value traded 400.000 euros				Value traded 400.000 euros		
	Minimum Costs (EUR)	Standardised Costs (EUR)	Standardised Costs (%)	DERIVATIVES	Minimum Costs (EUR)	Standardised Costs (EUR)	Standardised Costs (%)
EUA SPOT	250	1,500.00	0.4%	EUA FORWARD	250	5,000.00	1.3%
EUA SPOT	250	1,500.00	0.4%	EUA OPTION	250	5,000.00	1.3%
CER SPOT	250	2,500.00	0.6%	CER FORWARD	250	5,000.00	1.3%

### 4. DEFINITIONS OF PRODUCTS

“EUA” means EU Allowance

“EUAA” means EU Aviation Allowance

“CER” means Certified Emission Reduction

“Spot” means a transaction where the parties sell and purchase the traded allowances with delivery and payment within eight (8) Days.

“Forward” means a transaction where the parties sell and purchase the traded allowances with delivery and payment in more than eight (8) Days in the future.

“Option” means a right but not an obligation to enter into a sale and purchase transaction of allowances, which is given to the buyer by the seller for the payment of a premium.



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## **DISCLAIMER**

### Important Information:

Guidance Note is valid from the 3<sup>rd</sup> of January 2018. Vertis Environmental Finance reserves the right to modify the document.

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