

# Pre-Trade Costs & Charges disclosure

## FX Swap

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### Purpose

The purpose of this document is to provide pre-trade Costs & Charges information that may apply to FX Swap contracts offered by Silicon Valley Bank UK Limited (SVB). It contains an overview of the product, as well as the Costs & Charges that you may incur whenever you execute an FX Forward contract with SVB.

In accordance with the Markets in Financial Instruments Directive (MiFID), SVB is required to disclose relevant Costs & Charges information with respect to Financial Instruments it offers to clients. SVB incorporates the Costs & Charges relating to the execution of any Financial Instrument into the price of the executed trade, rather than billing for them separately.

Financial Instruments provided by SVB are priced in accordance with the Order Execution and Handling Policy, which is published and kept up to date on our website at [svb.com/uk/foreign-exchange](http://svb.com/uk/foreign-exchange). All Costs & Charges outlined below are displayed in British Pound Sterling (GBP).

This is not marketing material. The information is required by law to help you understand the costs of this product and to help you compare it with other products.

### Product

<b>Product Name:</b>	FX Swap	<b>Website:</b>	<a href="http://www.svb.com/uk">www.svb.com/uk</a>
<b>Provider Legal Name:</b>	Silicon Valley Bank UK Limited	<b>Regulated by:</b>	Financial Conduct Authority
<b>Call:</b>	+44 (0)20 7367 7881		

### What is this product

#### Type

This product is an over the counter (OTC) contract – Foreign Exchange Instrument.

#### Objectives

FX Swaps are binding agreements to buy or to sell on a pre-agreed date (initial exchange date) a pre-defined quantity of a currency (notional amount) at an agreed rate based on market prices (spot rate) and to sell or buy back the notional amount on a subsequent pre-agreed date (final exchange date) at a pre-defined rate (forward rate).

Under this FX Swap, you receive the Base Currency on the initial exchange date. In return, you pay the Price Currency on the initial exchange date; the exchange of the respective notional amounts takes place at the agreed spot rate. On the final exchange date, you sell the Base Currency. In return, you receive the Price Currency; the exchange of the respective notional amounts takes place at the agreed forward rate.

### What are the costs?

#### Entry Costs

Entry costs are a one-off charge and presented as an upfront cost, based on the assumption that the product will be held to maturity. This cost does not have to be paid separately, as it is factored into the all-in transaction price of the FX Swap.

#### Exit Costs

If the product will be held to maturity, exit costs will not be incurred. However, they may be incurred if the product is terminated or unwound prior to maturity. In cases like this we assume that the exit costs will be equal to the total entry costs and incorporated into the all-in transaction price.

### Illustrative cost examples

The illustrative Costs & Charges information shown in the example below are costs which SVB might apply to an FX Swap, however these costs can typically be lower. The figures displayed are not a guarantee of future transaction costs and may be subject to change.

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### FX Swap

Example transaction data		Individual cost items with holding period until the end of the term			
Product	FX Swap	<b>Entry costs</b>	Product costs	GBP 200	2.00%
Base Currency	EUR		Service costs	GBP 0	0.00%
Price Currency	GBP	<b>Exit costs</b>	Product costs	GBP 0	0.00%
Initial reference amount in GBP	10,000.00		Service costs	GBP 0	0.00%
Duration	12 months	<b>Total costs</b>		<b>GBP 200</b>	<b>2.00%</b>

Assuming that the market value of the product does not change until maturity, the impact of the costs will be GBP 200 (2.00%). This amount assumes a nominal value of GBP 10,000.00 and that you will hold the product until maturity. The total costs take into account entry and exit costs.

### Additional product information

An FX Swap can be executed as follows:

- Spot-Forward Swap: Where the first leg is settled within or on the spot date (t+2) with the second leg forward, as outlined in the illustrative example in this document.
- Forward-Forward Swap: Where both legs have settlement dates beyond spot. Both of the legs will use a forward price off a basis spot price which will be disclosed at execution.
- While most swaps have the notional of one of the pair of currencies being consistent across both legs, as per the illustrative example, it is possible to trade 'un-even' swaps, where the notional of the quoted currencies changes between legs.

For these permutations, the Costs & Charges incurred may differ from the illustrative example above. For further information on these products please contact your SVB Market Risk Solutions Team.

### Other relevant information

Should you choose to execute one of these products with SVB, additional information may be set out in the terms and conditions and the confirmation, as supplemented and amended by the applicable definitions and the master agreement terms. You can find further information at [svb.com/uk/foreign-exchange](https://svb.com/uk/foreign-exchange).

### Risk

Trading in financial instruments may involve a high degree of risk and may not be suitable for all investors. Trading in financial instruments can result in both loss and profit. Investors should carefully consider whether financial instruments suit their needs, financial resources and personal circumstances.

The information contained in this material is solely for informational purposes only and it is not and should not be construed as an offer or a solicitation of an offer to buy or sell any financial instruments and cannot be relied upon as a representation that any particular transaction necessarily could have been or can be effected at the stated price. This material does not constitute advice.