

Ex-Ante costs and charges disclosure

Asset-backed securities (ABS)

Aim of the document

Before providing investment services, AS TWINO Investments, registration number 44103143823 ("TWINO") is required to provide its current and potential clients with information on indicative costs and charges that are applicable to investments in financial instruments and related services. The information is presented in accordance with Article 24(4) of the Markets in Financial Instruments Directive II (MiFID II) and Article 50 of the Commission Delegated Regulation 2017/565.

This information is not a marketing material – the actual costs and charges may differ from the ones specified below.

Nature of costs and charges

In transactions with asset-backed securities, TWINO provides its clients with free investment services, receiving commission fees from loan originators with whom the issuers of financial instruments and TWINO cooperate. Registration, account funding, and account withdrawals are free of charge. Account maintenance, if the client is active, is also free of charge.

The tables below summarize all costs and associated charges charged for the investment service and ancillary services provided to the client, as well as those related to the financial instruments, as stated in the Commission Delegated Regulation 2017/565:

Table 1 - All costs and associated charges charged for the investment services provided to the client

Costs	Description	Examples	Amount charged by TWINO
One-off charges related to the provision of an investment service	All costs and charges paid to TWINO at the beginning or end of the provided investment services	Deposit fees, termination fees and switching costs	EUR 0
Ongoing charges related to the provision of an investment service	All ongoing charges paid to TWINO for the services provided to the client	Management fees, advisory fees and custodian fees	EUR 0
All costs related to the transactions initiated in the course of the provision of an investment service	All costs and charges that are related to transactions performed by TWINO or other parties	Broker commissions, entry and exit fees paid to the fund manager, platform fees, mark ups, stamp duty, transaction tax and foreign exchange costs	EUR 0
Any charges that are related to ancillary services	Any costs and charges that are related to ancillary services that are not included in the costs mentioned above. Inactivity fee. This fee is intended to ensure that inactive accounts with available balances fairly contribute to covering the platform's operational costs and to encourage continuous investor engagement.	Research costs, custody costs. Cohort A (no active investments): <ul style="list-style-type: none"> Criteria: The investor has available funds for investment, no active investments, and no new investments for more than 6 months. 	EUR 10.00 per month

		<ul style="list-style-type: none"> • Fee: €10 per month, applied until the balance reaches €0.00 (it cannot become negative). <p>Cohort B (with active investments):</p> <ul style="list-style-type: none"> • Criteria: The investor has available funds for investment, active investments, but no new investments for more than 6 months. • Fee: €10 per month, subject to the following thresholds: <p>No fee if the available balance is less than 15% of the portfolio value OR less than EUR 50.</p> <p>The fee never reduces the balance below EUR 50.00.</p>	
Incidental costs		Performance fees	EUR 0

Table 2 - All costs and associated charges related to the financial instrument

Costs	Description	Examples	Amount charged by TWINO
One-off charges	All costs and charges (included in the price or in addition to the price of the financial instrument) paid to product suppliers at the beginning or at the end of the investment in the financial instrument	Front-loaded management fee, structuring fee, distribution fee	EUR 0
Ongoing charges	All ongoing costs and charges related to the management of the financial product that are deducted from the value of the financial instrument during the investment in the financial instrument	Management fees, service costs, swap fees, securities lending costs and taxes, financing costs	EUR 0
All costs related to the transaction	All costs and charges that incurred as a result of the acquisition and disposal of investments	Broker commissions, entry- and exit-charges paid by the fund, mark ups embedded in the transaction price, stamp duty, transactions tax and foreign exchange costs	EUR 0
Incidental costs		Performance fees	EUR 0

Illustrations of costs and charges applicable to the financial instruments

Examples of costs and charges related to investing in ABS are shown below. Figures are expressed both as a percentage and as a monetary value. These are based on either actual incurred costs or reasonable estimations of such costs in case the actual figures are not available. Actual costs and charges applied to a transaction can differ.

The example below illustrates costs applicable to a theoretical investment of 1 000 EUR and 10 000 EUR in an asset-backed security for one year. The example assumes that the money has been withdrawn from the account at the maturity of the product.

Invested amount	1 000 EUR		10 000 EUR	
	Amount (%)	Amount (EUR)	Amount (%)	Amount (EUR)
Registration	0.00%	0 EUR	0.00%	0 EUR
Adding funds to the account	0.00%	0 EUR	0.00%	0 EUR
Account servicing	0.00%	0 EUR	0.00%	0 EUR
Withdrawal from the account	0.00%	0 EUR	0.00%	0 EUR
Total costs and charges	0.00%	0 EUR	0.00%	0 EUR

Inducements

When providing investment services, TWINO receives commissions from third parties that may be considered inducements and are used to improve the quality of the investment services provided to the clients. These inducements do not affect the fee structure of the Client or the profitability of the investment. Inducements received in relation to ABS include:

- Initial signing fee, which is a one-time payment of 15 000 EUR applicable to the Loan Originators;

- A commission fee in the amount of EUR 210 000 is charged to the Loan Originator on a fixed monthly basis, regardless of the volume of the financed credit portfolio opened on the platform. This commission fee is applied monthly for the entire duration of the cooperation.

Invested amount	1 000 EUR		10 000 EUR	
	Amount (%)	Amount (EUR)	Amount (%)	Amount (EUR)
Inducements from third parties	0.00%	0 EUR	0.00%	0 EUR

Regarding other costs and charges, TWINO does not receive payments from third parties in relation to investment services and ancillary services provided to its clients.

Cumulative effect of applicable fees

The table below illustrates the cumulative effect of costs and charges on previously described examples of 1 000 EUR and 10 000 EUR investments for 2 years. These examples assume a 12% interest rate on an ABS with a maturity of one year. These scenarios do not guarantee a future return. The performance of the investment is described under three market scenarios:

- Favourable scenario – Loan Receivable pays according to the schedule;
- Moderate scenario – Loan Receivable partially pays according to the schedule – 50% is repaid on schedule and the remaining part delays for 60 days;
- Unfavourable scenario – Loan Receivable defaults in 6 months, court recovery happens at 30% of the outstanding amount 12 months after the default.

Investment	1 000 EUR			10 000 EUR		
	After 1 year	After 2 years	Total	After 1 year	After 2 years	Total
Favourable scenario - Loan Receivable pays according to the schedule						
Return after fees (EUR)	1 120	-	1 120	11 200	-	11 200
Average annual return (%)	12%	•	12%	12%		12%
Moderate scenario - Loan Receivable partially pays according to the schedule - 50% repaid on schedule, remaining part delays for 60 days						
Return after fees (EUR)	620	510	1 130	6 200	5 100	11 300
Average annual return (%)	12%	12%	12%	12%	12%	12%
Unfavourable scenario - Loan Receivable defaults in 6 months, court recovery at 30% of the outstanding 12 months after default						
Return after fees (EUR)	60	300	300	600	3 000	3 000
Average annual return (%)	6%	-73%	-73%	6%	-73%	-73%

In case of further questions on the costs and charges, you can contact TWINO by means of electronic communication by sending a letter to info@twino.eu.