# **What Are Crypto Exchange Withdrawal Fees? Why Pay Them?**

When dealing with cryptocurrencies, most people would have gone through dealing with centralized exchanges (CEX) to make their purchase and get their first crypto, and after they've gained more knowledge about the difference between custodial and non-custodial wallets, they would like to take out their funds from those CEX and into their non-custodial wallets, if not one that's an air-gapped [hardware wallet for better security](https://articles.whalesheaven.com/private-key-storage-best-practices-to-secure-your-bitcoin-and-other-cryptocurrencies/), and as they do, they notice there's a withdrawal fee associated with this process.

## **What is a withdrawal fee?**

If you have crypto coin or token within a centralized exchange, like Bitcoin, Ethereum, or Dogecoin, and would like to take those out from the hands of those exchanges and send them over to your non-custodial wallet, these crypto exchanges will impose upon you a withdrawal fee, which means that in order for you to take your BTC or ETH out and into your wallet, you would need to pay a certain amount to the exchange for them to approve this process.

## **How much is the withdrawal fee?**

There's no set rate or a flat fee for all crypto assets when withdrawing from centralized exchanges, where every other exchange would have its own fee rate, as well as different withdrawal fees for different crypto coins or tokens.

On Binance, they may take 0.00057 BTC as a fee if you want to withdraw your Bitcoin into your wallet (or to a different exchange platform), while on Bitrue it might be a 0.0005 BTC fee. Those amounts may even change over time too.

## **Why do exchanges take a fee to withdraw my cryptocurrency?**

There are various reasons for this, where one reason would be that they want to get revenue and profit for running their service for your use. Another reason would be that they also have to consider and pay for the fee that's needed to be paid for a crypto's blockchain so that the outgoing transaction that they'd initiate would get confirmed.

For example, if you'd like to withdraw 0.1 BTC from an exchange, to be sent to your wallet, the exchange would impose on you a withdrawal fee of 0.001 BTC, where part of that fee, 0.0005 BTC for example, would be spent towards miners so that they can confirm the transaction, and that amount is based on how busy the blockchain network is, and the fees that are left would be taken by the exchanges as revenue and/or profit.

## **Can you withdraw for free?**

In most cases, there's no such thing as a free withdrawal, but there are a few cases where you can withdraw a specific coin or token from an exchange and into your non-custodial wallet, without paying any withdrawal fees, and these happen because an exchange would consider this as either a marketing expense, or there may have been deal with the coin/token creator with the exchange to remove these kinds of fees.

To end on a positive note, considering that you need to pay withdrawal fees, as well as trading fees on these centralized exchanges, you might be more inclined to deal with decentralized exchanges (DEX) like our own [Whales Heaven](https://www.whalesheaven.com/), where if you compare both CEX and DEX, you will find that you wouldn't deal with withdrawal fees, trading fees, nor deal with security and safety issues.