



# KEY INFORMATION DOCUMENT

## PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of This Product and to help you compare it with other products.

## PRODUCT

### Interest Rate Collar - Client Buyer

<b>Product name:</b>	Interest Rate Collar - Client Buyer ("Collar" or " This Product")		
<b>Contact Product manufacturer:</b>	https://www.bnpparibasfortis.be Tel. +32 2 565 73 97	<b>Product manufacturer:</b>	BNP Paribas Fortis SA/NV ("BNPPF" or "the bank")
<b>Production Date/last update:</b>	[ProductionDate]	<b>Competent Authority:</b>	FSMA, Belgium

You are about to purchase a product that is not simple and may be difficult to understand.

## WHAT IS THIS PRODUCT?

### ► TYPE

Derivative bilateral contract ("OTC Derivative") governed by English or Belgian law.

### ► OBJECTIVES

The objective of This Product is to manage the risk of unfavourable fluctuations of interest rates, up to maturity.

Via this Product, On each Floating Rate Payment Date,

- If Floating Rate < Floor Strike: you pay to the Bank the difference between the Floor Strike and the Floating Rate applied to the Notional Amount (in the Product Currency).

- If Floor Strike ≤ Floating Rate ≤ Cap Strike: no payment under this Product.

- If Floating Rate > Cap Strike: the Bank pays you the difference between the Floating Rate and the Cap Strike applied to the Notional Amount (in the Product Currency).

If the Premium Amount differs from zero, either you or the Bank shall pay the Premium Amount to the other party.

The return of This Product depends, amongst others, on the MtM Dependency Factors. This Product is meant to be held up to the Maturity Date. No party is entitled to terminate it unilaterally, unless in circumstances referred to in section "How long should I hold it and can I take money out early?" below.

Product risks:

You cannot benefit from floating interest rates in the market lower than the Floor Strike, as you are engaged to pay to the Bank any positive difference between the Floor Strike and Floating Rate.

### ► PRODUCT MAIN FEATURES (In this document please read the following terms as follows)

Effective Date
Notional Amount
Cap Strike (or Cap Rate)
Reference Rate (or Floating Rate)
Floating Rate Day Count Fraction (Floating Rate Basis)
Product Currency

Maturity Date (or Termination Date)
Amortizing
Floor Strike (or Floor Rate)
Fixing Date
Floating Rate Payer Payment Dates
Premium Amount

Underlying Need	Risk to be hedged	Mark to Market Dependency Factors
one or more debt(s) where you pay Floating Rate + a credit margin	possible appreciation of the Floating Rate	short and long term interest rates and the related volatility

### ► INTENDED RETAIL INVESTORS

With respect to retail clients (under Directive 2014/65/EC), this Product is only aimed at corporate clients who:

- Pay the Floating Rate + credit margin under one or more debt(s)
- Have the financial capacity to enter into This Product and to bear any potential loss related thereto;
- Need, up to maturity, a protection against a possible rise of the Floating Rate, under those debt(s) and agree not to profit from the Floating Rate below a certain level (the Floor Strike).
- Have sufficient knowledge and experience to understand how This Product works and to assess the associated opportunities and risks.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

### ► RISK INDICATOR



The risk indicator assumes you keep This Product until Termination Date. The actual risk can vary significantly if you terminate it at an early stage and you may get back less. You may not be able to end your product early. You may have to pay significant extra cost to end your product early.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that this Product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class, as foreseen under the Regulation (EU) 1286/2014 of 26 November 2014 («PRIIPS») for all OTC derivatives.

- This product does not include any protection from future market performance so you could incur significant losses.
- Unless this Product is either a mere cap or floor, in some circumstances you may be required to make payments to pay for losses. The total loss you may incur may be significant.
- Up to the Maturity Date of this Product, its market value ("Marked-to-Market value" or "MtM") cannot be known in advance and can become negative. The MtM of this Product depends amongst others on the MtM Dependency Factors value in the market at the time of calculation, but also on this Product's characteristics, such as, but not limited to, the Product Main Features. Additional risks linked to this Product functioning may be listed in the section "What is this Product" here above.
- In the event the Underlying Need changes, this Product could be amended upon your request under certain conditions.
- If the Bank is not able to pay you what is owed, you incur significant losses.

## ► PERFORMANCE SCENARIOS

Nominal amount [10,000 unit of Currency 1]				
Scenarios		1 year	Recommended holding period/2	Recommended holding period
Stress scenario	What you might get back or pay after costs	XXX	XXX	XXX
	Average return/loss over nominal amount each year	XXX%	XXX%	XXX%
Unfavourable scenario	What you might get back or pay after costs	XXX	XXX	XXX
	Average return/loss over nominal amount each year	XXX%	XXX%	XXX%
Moderate scenario	What you might get back or pay after costs	XXX	XXX	XXX
	Average return/loss over nominal amount each year	XXX%	XXX%	XXX%
Favourable scenario	What you might get back or pay after costs	XXX	XXX	XXX
	Average return/loss over nominal amount each year	XXX%	XXX%	XXX%

The yield per year is the ratio between "What you might get back or pay after costs" and the Notional amount and the number of years elapsed.

- This table shows the money you could get back or pay between the Effective Date and the Maturity Date under different scenarios, assuming the relevant Notional Amount as underlying nominal value.
- The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.
- The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you receive will vary depending on how the market performs and how long you keep the product.
- The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.
- If this Product length is less than or equal to one year, this Product cannot be easily ended. This means it is difficult to estimate how much you would get if you end before Maturity Date. You will either be unable to end early or you will have to pay high costs or make a large loss if you do so.
- The figures shown include all the costs of this product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## WHAT HAPPENS IF THE BANK IS UNABLE TO PAY OUT?

This product is a OTC derivative transaction where the counterparty is the Bank. In case the Bank would be failing or likely to fail, the legal provisions on the recovery and resolution of credit institutions would apply and the bank could even be declared bankrupt. Consequently, you run the risk for the Bank not to fulfil its contractual obligations and thus you may not receive the amount(s) owed by the Bank under this Product. This Product is not protected by the Financial Services Compensation Scheme or any other investor compensation or guarantee scheme. This means that, following the occurrence of an event of default with respect to the Bank, you may terminate unilaterally this Product and calculate the early termination amount, but may not recoup the full early termination amount. You may then lose the protection against the Risk to be Hedged.

## WHAT ARE THE COSTS?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the performance of the Product. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are cumulative costs of this Product itself, for the (different) holding period(s). They include potential early exit penalties. The figures assume the relevant Notional Amount as nominal value. The figures are estimates and may change in the future.

### ► COSTS OVER TIME

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Notional amount [10,000 unit of Currency 1]			
Scenarios	If you end after 1 year	If you end after recommended holding period/2	If you end after recommended holding period
Total costs	XXX	XXX	XXX
Impact on return (RIY) per year	XXX %	XXX %	XXX %

### ► COMPOSITION OF COSTS

The table below shows:

- the impact each year of the different types of costs on the performance of the Product at the end of the recommended holding period.
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry Costs	XXX %	The impact of the costs already included in the price. This is a maximum theoretical amount and does not necessarily represent the amount you shall have to pay.
	Exit costs	XXX %	The impact of the costs of us buying your investment when it matures.

<b>Ongoing costs</b>	<b>Portfolio transaction costs</b>	XXX%
	<b>Other ongoing costs</b>	XXX%
<b>Incidental costs</b>	<b>Performance fees</b>	XXX%
	<b>Carried interests</b>	XXX%

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

The recommended holding period of this product is its original Termination Date, as you need, between the trade date and the maturity of this Product, a protection against the Risk to be Hedged. No party will be entitled to early terminate this Product, unless upon the occurrence of an event specified in the master agreement which governs the OTC Derivative (for example, FBF, ISDA or EMA), or exceptionally, with the express consent of the Bank and if the market circumstances allow it. In the event of early termination here described, you will have to pay (or receive so positive) the market value at (or of) the Bank together with a fee (theoretical maximum of 0.15% times the number of remaining years at early termination date) that shall be added to the market value.

## HOW CAN I COMPLAIN?

For any complaints regarding This Product, the Product manufacturer or the person advising or selling This Product, you can :

- send a letter to:

BNP Paribas Fortis SA/NV Complaints Management Service

Montagne du Parc/Warandeberg 3 B-1000 Brussels

- or send an e-mail to:

Email [gestiondesplaintes@bnpparibasfortis.com](mailto:gestiondesplaintes@bnpparibasfortis.com) - [klachtenmanagement@bnpparibasfortis.com](mailto:klachtenmanagement@bnpparibasfortis.com)

- or file a complaint in the online declaration form. available at:

[<https://www.bnpparibasfortis.be/portal/start.asp>] > Suggestions, complaints > online declaration form

- or call the following number:

Tel. [+32 2 762 20 00]

Fax [+32 2 228 72 00]

## OTHER RELEVANT INFORMATION

The information contained in this Key Information Document does not constitute a recommendation to enter into This Product and is no substitute for individual consultation with your advisors.

If you wish to enter into a OTC Derivative transaction, you will first have to sign an ISDA, FBF or EMA Master Agreement. The law governing the ISDA, FBF or EMA Master Agreement shall also govern the specific OTC derivative transaction. In most cases this shall either be English or Belgian law. You shall find other relevant information in the termsheet of this transaction, if any.