

Packaged Retail and Insurance-Based Investment Products Regulation

At a Glance

What is the Packaged Retail and Insurance-Based Investment Products Regulation?

The Packaged Retail and Insurance-Based Investment Products Regulation ("PRIIPs") takes effect on 1 January 2018. The regulation requires that a Key Information Document ("KID") be prepared and published by the manufacturer of any PRIIP that is made available to retail investors in the European Economic Area ("EEA").

The scope of the PRIIPs regulation covers a wide range of products, including structured securities, funds, convertible bonds, asset backed securities and derivatives contracts.

What are the objectives of PRIIPs?

The main objective of PRIIPs is to help investors to better understand and compare the key features, risk, rewards and costs of different PRIIPs, through access to a short and easy to understand document.

If you have invested in a UCITS ("Undertakings for Collective Investment in Transferable Securities") fund you may have received a UCITS Key Investor Information Document ("KIID"). The concept behind the PRIIPs KID is broadly similar to the UCITS KIID, although the content of the documents is slightly different. UCITS funds will continue to issue UCITS KIIDs until at least 2019, when it is anticipated that they will transition to the use of a PRIIPs KID.

What information is contained within a KID?

The KID is a 3 page document which contains prescribed disclosures as set out below:

Prescribed Section	Purpose
Basic key information	This section will identify the product, product manufacturer, who they are regulated by and date of the document.
What is the product?	This will outline the type of product, its investment objectives and product term.
What are the risks and what could I get in return?	This will provide a standard risk indicator and supporting narrative to aid with comparison of products as well as performance scenarios depicting how the product may perform in four different economic circumstances.

Does PRIIPs apply to all financial institutions?

Any firm that makes a PRIIP available to retail clients in the EEA on or after 1 January 2018 will have to provide those clients with a KID.

How will I be affected?

If you are an EEA retail client and you invest in a PRIIP on a non-discretionary basis we will provide you with a KID prior to your trade. We may also provide the KID pre-trade to any EEA based investment decision maker on your account if they are making the decision to purchase the PRIIP for your account. The KID may be provided to you in person or by email or via the relevant websites listed below:

- Capital Market products:
<https://www.citiprivatebank.com/capitalmarkets/KIDs>
- Managed Investment products:
<https://www.citiprivatebank.com/managedinvestments/KIDs>

Should you require the KID to be provided to you by email you may be required to provide us with explicit consent to do so. The KID will be provided to you in addition to any other applicable product offering documents.

Prescribed Section	Purpose
What happens if company is unable to pay out?	This will provide details of any compensation or guarantee scheme, where applicable.
What are the costs?	This section will provide specific details of the costs of the product, including an illustration of how the product costs will reduce the investment return over time.
How long should I hold it and can I take money out early?	This will provide details of any cooling-off or cancellation period, the recommended, and where applicable, required minimum holding period and any penalties, charges or other negative consequences arising from early divestment.
How can I complain?	This will detail where and how a complaint may be made in relation to the product.
Other relevant information	This will detail any additional documents to be provided.

Can I opt out from receiving a KID?

No. The PRIIP regulation does not contain a provision permitting investors who are in scope of the regulation to opt out from receiving a KID.

Will I receive more than one KID document for the same investment?

KID documents are required to be updated periodically as they contain information which may change over time. If you hold an investment in respect of which a revised KID is issued we will endeavour to notify you that an updated KID is available.

How can I reduce the amount of physical mail I receive from Citi Private Bank?

Go digital - Our In View Client portal allows you to receive your account statements and regulatory notifications electronically as well as view your portfolio online. Communications can be sent directly to your personal vault where you can download/print at a time that is more convenient for you. If you would like to find out more or to enrol onto the In View Client portal, please contact a member of your Banking Team for more information.

Where can I get more information?

If you have any questions in relation to PRIIPs, please contact a member of your Banking Team who will be happy to assist.

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NOT GOVERNMENT INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

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