

### 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

**Product name:** FX Call Option EUR (Sell GBP)

**Manufacturer:** Coöperatieve Rabobank U.A. ('Rabobank')

**Contact:** For more information call +31 (30) 7123673 or go to our website [www.rabobank.nl/priips](http://www.rabobank.nl/priips)

**Competent authority:** Dutch Authority for the Financial Markets

**Date:** 17-6-2021



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

### What is this product?

**Type:** OTC - Derivatives contract (OTC means over the counter and indicates that the transaction is not executed on a trading platform).

**Objectives:**

Purpose: An FX Call Option is used to limit the risk of an unfavourable fluctuation in exchange rate of the currency you would like to sell.

When you enter into an FX Call Option with us some of the elements that are agreed upon are as follows:

- The amount of currency you can sell
- The amount of currency you buy
- The exchange rate of the FX Call Option ('strike')
- The reference exchange rate that will be compared to the strike ('fixing')
- The date and time at which the exchange rate applicable at that moment is fixed and compared to the strike ('expiry date')
- The date on which you may sell the currency ('end date')
- The amount of the one-off premium payment that needs to be paid to Rabobank upfront.

Method: With an FX Call Option you purchase the right to sell an amount in a certain currency on an agreed date in the future at an agreed strike. For example when you buy a Call EUR, you buy the right to sell GBP against an agreed amount in EUR. At expiry it will be determined whether your option has value. This can lead to the following outcomes:

- If at the expiry date the exchange rate applicable at that moment is more favourable or equal to the strike, the option will not be automatically exercised. You can sell the currency at the exchange rate applicable at that moment yourself; you profit from this rate if it is more favourable than the strike.
- If at the expiry date the exchange rate applicable at that moment is less favourable than the strike, the option will be automatically exercised. By exercising the FX Call Option you sell the amount of the currency at the strike. You will not have any downside from the exchange rate applicable at that moment.

In this Key Information Document it is assumed that the strike is equal to the exchange rate of that date (we call this the at-the-money strike).

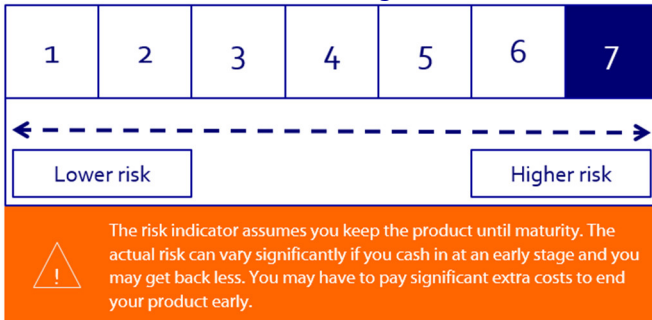
Return: If the FX Call Option is not exercised you will lose your paid premium and your return will be negative. If the FX Call Option will be exercised your return will be determined by the exchange rate difference between the strike and the exchange rate applicable at that moment minus the paid premium.

Termination: You can always terminate the FX Call Option unless you have agreed otherwise with Rabobank. For more information on the effects of termination please read the section 'How long should I hold it and can I take money out early?'. The FX Call Option can be unilaterally terminated or adjusted by Rabobank. This is only possible in the situations described in the Financial Derivatives Agreement (FDA).

### Intended retail investor:

To make use of this product, you are required to be a Rabobank client and you must have been given access to the product. The product description should be read in advance, so that you understand how this product works and understand the risks. Additionally, we expect you to understand the concept of hedging risks and how this product can be used for hedging. Moreover, you should understand which factors influence the price of a contract (such as time to expiration, volatility, time value of money and notional amount). You should also understand the basis of currency-, interest rate-, liquidity- and country risk. Furthermore, you should understand how market value is established, and that this product is a bilateral contract between you and Rabobank. This product must be used for hedging purposes only; you may hedge up to a maximum of 100% of the underlying risk. The maximum time to expiration is three years; a transaction with a time to expiration longer than two years requires approval by Rabobank. With this product you are minimizing currency risk by having the right to buy or sell the notional amount at the predetermined exchange rate and date. As such, you may profit from future exchange rate fluctuations. You may lose 100% of the invested amount. The recommended holding period for the FX Call Option is equal to the duration of the underlying risk. In our example we use 2 months for this period.

### What are the risks and what could I get in return?



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 the 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 class 7 out of 7, which is the highest risk class. All derivatives are classified as category 7 by definition. As the FX Call Option is a derivative the product is placed into the highest risk class

### Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. If you would like to end the contract before the end date, a settlement of market value will take place and handling costs might be settled. Market value is the difference between the agreed price and the market price of the product at that time. The handling costs are the costs made by Rabobank to end the contract.

Investment 10.000 EUR		2 months
Scenario's*		(Recommended holding period)
<b>Stress scenario</b>	<b>What you might get back after costs</b>	0,00 EUR
	Percentage return	-100,00%
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	0,00 EUR
	Percentage return	-100,00%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	740,49 EUR
	Percentage return	-92,60%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	30.054,63 EUR
	Percentage return	200,55%

\*For this product (an OTC-derivative) the percentages in the performance scenarios will be calculated by dividing the performance of the product by the notional amount of the contract. These percentages are calculated over the recommended holding period. The performance of the product will be determined by the development of the exchange rate minus the applicable costs.

This table shows the money you could get back during the recommended holding period, under different scenarios, assuming that you invest 10,000 EUR. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. **Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.** The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/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. This product cannot be easily ended. This means it is difficult to estimate how much you would get if you end before maturity. 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 the 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 Rabobank is unable to pay out?

When Rabobank is not able to meet its obligations, the payments to be made by Rabobank are not covered by the Dutch Investor Compensation Scheme (beleggerscompensatiestelsel) or any other government or private protection scheme or guarantee. This means you may face a financial loss.

### What are the costs?

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

The amounts shown here are the cumulative costs of the product itself. They include potential early exit penalties. The figures assume you invest 10,000 EUR. The figures are estimates and may change in the future.

**Table 1: 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 the notional amount over time.

<i>Investment 10.000 EUR</i>	<i>If you end after 2 months</i>
Total costs	4.743,92 EUR
Impact on return (RIY)	6,68%

**Table 2: Composition of costs:** The table below shows:

- The impact 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.

<i>This table shows the impact on return</i>			
one-off costs	Entry costs	6,68%	The impact of the costs you pay when entering your investment. The impact of the costs already included in the price. These costs will always be fully charged. These costs will be fixed when entering your contract.
	Exit costs	0,00%	The impact of the costs of exiting your investment when it matures.
ongoing costs	Portfolio transactions costs	0,00%	The impact of the costs of us buying and selling the underlying investments for the product.
	Other ongoing costs	0,00%	The impact of the costs that we take for managing your investments.
incidental costs	Performance fees	0,00%	The impact of the performance fee.
	Carried interests	0,00%	The impact of carried interests.

### How long should I hold it and can I take my money out early?

The recommended holding period: the duration of the underlying risk.

In our example we use 2 months for this period. The FX Call Option is intended to hold until the end date in order to hedge the currency risk. The end date will be agreed with you.

In case you or Rabobank ends the product before the end date, the amount you will pay or receive will depend on the market value at that time. The market value depends amongst others on the exchange rate at that time. When the market value of your product is positive, you will receive the settlement amount from us. Besides that it is possible that handling costs will be charged. These costs cover the expenses for Rabobank to end the contract early and can be viewed in advance.

### How can I complain?

Do you have a complaint about the information provided or the functioning of the product? You can file a complaint at the website: [www.rabobank.nl/klachtbedrijven](http://www.rabobank.nl/klachtbedrijven) or send an e-mail to [treasury@rabobank.nl](mailto:treasury@rabobank.nl) or via the following postal address: Rabobank Klachtenservice, Antwoordnummer 750, 3500 ZJ Utrecht. We will then handle your complaint and provide you with a feedback as soon as possible.

### Other relevant information

This document should be read as an introduction. The decision to enter into the FX Call Option or not should amongst others be based on all information provided by Rabobank. More information about the FX Call Option, the market value and how you can use the product, can be found in the product leaflet. Please read the brochure Currency Risk Management for more information about our services. The product leaflet and brochure are only available in Dutch. You can request a paper version of the Key Information Document free of charge.