

# 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

<b>PRIIP name:</b>	USDCHF 4 Months deliverable forward foreign exchange contract
<b>PRIIP manufacturer:</b>	KLEINWORT HAMBROS ("KH"). See Other Relevant Information below for further detail.
<b>Contact for PRIIP:</b>	www.kleinworthambros.com. See Other Relevant Information below for further detail.
<b>Competent Authority:</b>	See Other Relevant Information below for details.
<b>Document valid as at:</b>	08 September 2021

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

## WHAT IS THIS PRODUCT ?

**Type:** Over the Counter Derivative (OTC) contract – Deliverable Forward Foreign Exchange Instrument

**Characteristics:**

Currency 1	Currency 2
USD	CHF

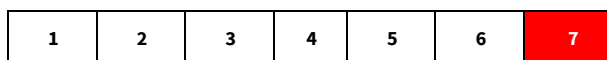
**Objective:** The objective of this product is to allow you to exchange an agreed amount of one currency for another currency for settlement on a pre-agreed date at a pre-agreed exchange rate. The product achieves its objective by KH agreeing the terms of an OTC contract with you, under which you agree to exchange an agreed amount of one currency (currency 1) for another (currency 2) (together, the currency pair) with KH at a pre-agreed exchange rate, called the forward rate. The return on this product to the investor is dependent on the level of the forward rate at which the currency pair is actually exchanged relative to the prevailing rate of exchange of the currency pair in the underlying spot market. You will be obliged to exchange the agreed amount of currency 1 to KH in exchange for currency 2 at the forward rate on the maturity date. The amount of currency 2 exchanged on the maturity date may be greater or less than what could be achieved at the prevailing rate of exchange of the currency pair in the underlying spot market on the maturity date and hence may result in a gain or loss to the investor. The exact terms of the trade agreed with you at execution will be set out in a transaction confirmation.

**Intended retail investor:** This product is only intended for clients who need to purchase currency 2 against currency 1 at the end of the Term for at least the equivalent in currency 2 of the relevant notional amount or need, up to final maturity, a protection (hedge) against a possible appreciation of the currency 2 vs currency 1, either (a) to cover their purchase needs or exposure in currency 2 vs currency 1 or (b) to manage their treasury needs. This product is suited for clients who have the financial capacity to enter into this product and to bear any potential loss related thereto, and have sufficient knowledge and experience to understand how this product works and to assess the associated opportunities and risks.

**Term:** 4 Months. The exact duration of the product will be agreed at execution and will be set out with the other product terms in the confirmation of the transaction. It is a product which is entered into for its term.

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

**Risk indicator:**



Lower risk ←

→ Higher risk

**The risk indicator assumes that you keep the product until maturity. The actual risk can vary significantly if you cash in at an early stage, and you could get less in return. You may not be able to end your product early. You may have to pay significant extra cost if you terminate the product before maturity.**

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 in terms of opportunity cost 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. This rates the potential opportunity cost from future performance at a high level, poor market conditions are very likely to impact the value of this product. The risk indicator assumes you keep the product until maturity. You may have to pay significant extra costs to end your product earlier. This product does not include any protection from future market performance so you could incur significant losses. Due to effects of unusual market conditions, other risks could be triggered, such as: counterparty risk and liquidity risk. If we are not able to pay you what is owed, you could incur significant losses.



## Performance Scenarios:

Performance Scenarios and Product Costs are presented up to the recommended holding period. Where this is less than one year, they are not comparable with the Performance Scenarios and costs of other products with a different recommended holding period or calculated on an annualised basis.

Performances scenarios for a nominal Amount of 10,000 CHF		4 Months (recommended holding period)	
<b>Stress scenario</b>	What you might get back or pay after costs	-	769
	Percentage return/loss over nominal amount		-7.69%
<b>Unfavourable scenario</b>	What you might get back or pay after costs	-	408
	Percentage return/loss over nominal amount		-4.08%
<b>Moderate scenario</b>	What you might get back or pay after costs		54
	Percentage return/loss over nominal amount		0.54%
<b>Favourable scenario</b>	What you might get back or pay after costs		538
	Percentage return/loss over nominal amount		5.38%

This table shows what you might get back or pay after costs over 4 Months under different scenarios, assuming a nominal amount of CHF 10,000. 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 on how the value of this investment varies, and are not an exact indicator. This opportunity cost 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.

**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 only way to end this product before it matures is to enter into a new FX forward with the same conditions, in a reverse way.** This means it is difficult to estimate how much you would get if you end before the end of the recommended holding period. 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. Any negative performance figures shown in the table above represent an opportunity cost of entering into the Forward contract instead of dealing at the prevailing market rate at the end of the period.

## What happens if KH is unable to pay out?

In the event of a default by KH, you may suffer a financial loss. Early termination may occur in the event of a default or disruption situation, the costs of unwinding will be calculated by reference to prevailing market conditions, and if the net amount is in your favour, after taking account of other obligations between the parties, payment by us will be subject to legal provisions on the recovery and resolution of credit institutions. In the event of a resulting loss, you will not be entitled to claim compensation from the Financial Services Compensation Scheme or any other investor compensation or guarantee scheme. You may be eligible for compensation if you lose money due to negligent advice or management of your investments, misrepresentation or fraud depending on the terms of any compensation or guarantee schemes in the jurisdiction of your advisor or distributor. Please contact your private banker for further details.

## 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 the product itself, over the recommended holding period. They include potential early exit penalties. The figures assume a nominal value of CHF 10,000. 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 CHF 10,000	
<b>Scenarios</b>	If you end at recommended holding period (4 Months)
<b>Total costs</b>	CHF 150
<b>Impact on return (RIY) per year</b>	1.50%

## 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 meanings of the different cost categories.

### This table shows the impact on return per year

<b>One-Off costs</b>	Entry costs	1.50%	The impact of the costs you pay when entering your investment. The impact of the costs is already included in the price. The margin cost will vary with the size of the investment. This is the most you will pay, you could pay less.
	Exit costs	1.50%	The impact of the costs you pay when exiting your investment early. Closing this product before its maturity will require entering into a new forward contract, which will generate a new entry cost. This is the most you will pay, you could pay less.
<b>Ongoing costs</b>	Portfolio transaction costs	0.00%	N/A
	Other ongoing costs	0.00%	N/A
<b>Incidental costs</b>	Performance fees	0.00%	N/A
	Carried interests	0.00%	N/A

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

The recommended holding period of this product is its original maturity date. Closing this product before its maturity will require you to enter a new forward contract for the remaining period in a reverse way which will incur additional costs. FX Forward Outright trades do not settle. Instead, when the value date of an open FX Forward Outright position equals the current spot value date, it will be treated as a normal Rolling FX Spot position. On maturity date the spot position will settle to your account.

## How can I complain?

Should you have any complaints in relation to your investment, in the first instance please direct these to your private banker, alternatively please address your complaint by post to Kleinwort Hambros Bank at the address shown under "Other Important information" below or via the website contact form: [www.kleinworthambros.com/en/contact](http://www.kleinworthambros.com/en/contact) Once a complaint has been received it will be acknowledged in writing within 5 business days of receipt, seeking to address the complaint or clearly set out the next steps.

## Other relevant information

If you wish to enter a Forward Foreign Exchange contract, you will first have to sign a credit facility with KH which includes margin terms applicable to such products. The terms of the Forward contract will be confirmed in writing post trade. Please contact your private banker or adviser for further information

Country of KH entity	PRIIP Manufacturer	Contact details	Competent Authority
UK	SG Kleinwort Hambros Bank Limited incorporated in England and Wales under number 964058	5th Floor, 8 St James's Square, London SW1Y 4JU Tel : +44 (0) 207 597 3000	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Jersey	SG Kleinwort Hambros Bank (CI) Limited incorporated in Jersey under number 2693	PO Box 78, SG Hambros House, 18 Esplanade, St Helier, Jersey JE4 8PR Tel : + 44 1534 815555	Regulated by the Jersey Financial Services Commission ("JFSC") for banking, investment, money services and fund services business.
Guernsey	SG Kleinwort Hambros Bank (CI) Limited – Guernsey Branch	PO Box 6, Hambro House, St Julian's Avenue, St Peter Port, Guernsey, GY1 3AE Tel : +44 1481 726521	Regulated by the JFSC for banking, investment, money services and fund services business. The Guernsey Branch is also regulated by the Guernsey Financial Services Commission for banking, investment and money services business.
Gibraltar	SG Kleinwort Hambros Bank (Gibraltar) Limited incorporated in Gibraltar under number 01294	PO Box 375, Hambro House, 32 Line Wall Road, Gibraltar Tel : +350 20002000	Authorised and regulated by the Gibraltar Financial Services Commission for the conduct of banking, investment and insurance mediation business

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