Key Information Document ("KID")

Purpose

This document provides you with key information about this 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

Name of the product : FX Forward EUR/USD

Name of the PRIIP manufacturer : Belfius Bank S.A.
Contact details of the PRIIP manufacturer : www.belfius.be - 00 32 (0)2 222 11 11
Name of the competent authority of the PRIIP manufacturer in relation to the KID : Financial Services and Markets Authority (FSMA)
Date of production of the KID: 01/01/2018

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 (OTC) Derivative contract – Foreign Exchange Instrument

Objectives: A Forex Forward, also known as an outright forward, is a contractual binding agreement between two counterparties, locking in the exchange rate (the forward rate) for the purchase or sale, for a future date (the settlement date), of a pre-agreed amount of a major convertible currency (the notional amount).
A Forex Forward is an OTC (over-the-counter) product tailored to a particular notional amount and delivery date. Settlement is on a payment against delivery basis.
The forward rate is determined at the moment the agreement is entered into with reference to the spot exchange rate and the interest rate differential between the two currencies for the envisaged period, corrected for market conditions. As a result, the forward exchange rate may either be lower (at a deport) or higher (at a report) than the spot exchange rate.

In this document we use the terms below as an example :
Client Buys USD, sells EUR
Notional amount : 10 000 USD
Start : spot date
Maturity: spot date + 3 months

Intended retail investor This product is aimed at persons who :

- Want to hedge their currency risk;
- Are able to assess the benefits and risks of a transaction in this product
- Have, in this example, an estimated hedging horizon of 3 months (the horizon can however be defined and agreed in function of the client's needs).

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

1	2	3	4	5	6	**7**

Lower risk — Higher risk

The risk indicator assumes you keep the product for 3 months. The actual risk can vary significantly if you cash in 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 costs to end your product early. You may not be able to end your product easily or may have to end your product at a price that significantly impacts on the performance of your product.

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.

The product has this level of risk, considering that the product manufacturer has a medium-low credit risk and that the product has a high risk of losses linked to the nature of the product, which is considered, to be highly risky for retail investors.

This product does not include any protection from future market performance so you could incur significant losses.
If we are not able to pay you what is owed, you could incur significant losses.

Nominal amount 10 000 USD		
Scenarios		3 months (recommended holding period)
Stress scenario	What you might get back or pay after costs	-1210.39 €
	Average return/loss over nominal amount each year	- 48.42%

Unfavourable scenario	What you might get back or pay after costs	-343.5€
	Average return/loss over nominal amount each year	-13.74%
Moderate scenario	What you might get back or pay after costs	150.5 €
	Average return/loss over nominal amount each year	6.02%
Favourable scenario	What you might get back or pay after costs	630.46 €
	Average return/loss over nominal amount each year	25.22%

This table shows the money you could get back or would have to pay over the recommended holding period, under different scenarios, assuming a nominal value of 10 000 USD.
The scenarios shown illustrate how your product 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 get will vary depending on how the market performs and how long you keep the product / 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 always be easily ended. This means it is difficult to estimate how much you would get if you end before the end of the recommended holding period. You may either be unable to end early or you may 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, and includes the costs of 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 Belfius Bank is unable to pay out?

In the case of default of the product manufacturer (as a result of a bankruptcy, for example), you face the risk of not recovering the amounts to which you are entitled to and may lose the amount invested.

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 the cumulative costs of the product itself, for 1 holding period. They include potential early exit penalties. The figures assume a nominal value of 10 000 USD. 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 notional amount over time.

Nominal amount 10 000USD	If you end after 3 months
Total costs	120.92 €
Impact on return (RIY) per year	2.19 %

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.
• What the different cost categories mean.

This table shows the impact on return per year			
One-Off costs	Entry costs	0.00 %	The impact of the costs you pay when entering your product. This is the most you will pay, and you could pay less.. The impact of the costs is already included in the price. This includes the costs of distribution of your product
	Exit costs	0.00 %	The impact of the costs of exiting your product when it matures
Ongoing costs	Portfolio transaction costs	0.00 %	The impact of the costs of us buying and selling underlying products for the product.
	Other ongoing costs	2.19%	The impact of the costs that we take each year for managing your products and the costs presented in Section II.
Incidental costs	Performance Fees	0.00 %	The impact of performance fees. We take these from your product if the product outperforms its benchmark.
	Carried interests	0.00 %	The impact of carried interests..We take these when the product has performed better than a given percentage

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

Recommended holding period: 3 months
The above mentioned period has been defined in accordance with the product characteristics, including its risk and reward profile.
In case of an early liquidation of a FX Forward, the initial forward rate will be adapted based on the interest rate differential (= swap points) between both

currencies for the period between the early termination date and the initial maturity date.

How can I complain?

For any complaints, please see your branch, your financial advisor or the Complaints Department.
Boulevard Pachéco 44, 1000 Bruxelles
www.belfius.be/klachten www.belfius.be/plaintes
claim@belfius.be

We will then handle your request and provide you with a feedback as soon as possible.

Other relevant information