

Key Information Document - Fixed Income Futures Long

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

| | |
|--|---|
| Name of PRIIP | Fixed income futures long |
| Name of PRIIP manufacturer | Eurex Deutschland |
| Details of how to get in contact with PRIIP manufacturer | http://www.eurexchange.com/exchange-en/XXXXXXXXXXXXXXXXXXXXXXXXXXXX Please refer to the telephone numbers provided under the link above. |
| Competent authority supervising PRIIP manufacturer | Hessische Börsenaufsicht (Exchange Supervisory Authority (ESA)) |
| Date of production | 29 December 2017 |

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

What is this product?

Type

Fixed income futures are derivative based contracts. A derivative is a financial contract, which derives its value from the value of another underlying instrument.

Objectives

A future is an agreement between a buyer (long position) and a seller (short position) to trade a certain underlying asset at a certain time in the future for a certain price. Potential customers of fixed income futures long would have a long position in the respective future, i.e. they would act as a buyer.

When entering into a futures position, no initial payment is made between the buyer and seller. The buyer and the seller have opposing expectations of how the value of the futures price will develop. Either market participant will experience a profit if their expectations materialise, and a loss if their expectations do not materialise.

A futures position gross profit or loss¹ is calculated as the difference between the underlying's value at the future's expiration or closure, minus the underlying's value at the time the future is entered into, this difference divided by the product-specific minimum price change (tick size), and the resulting quotient multiplied with the product-specific value per minimum price change (tick value)².

The buyer realises a gross profit if the value of the underlying has increased at the future's closure and a gross loss if it decreased. The seller realises a gross profit if the value of the underlying has decreased at future's closure and a gross loss if it increased.

The pay-off of a future is linear: A specific difference between the underlying's value at expiry minus the underlying's value at entry always result in the same monetary profit respectively loss, independent of the actual value of the underlying.

No recommended holding period is prescribed for futures. The risk and reward profile at maturity is depicted in the section "Performance scenarios". Buyer and seller can experience profits or losses at any point up to and including the future's maturity date.

A future has a pre-defined maturity date. A potential customer may exit their exposure to a future during the trading hours of the exchange days. The customer can exit this exposure to a future by entering into an opposing futures position (with the same underlying and maturity), acting as seller to close an opening long position, or acting as buyer to close an opening short position, respectively. A future's price can fluctuate due to movements and expectations of the following non-exhaustive list of parameters: value of underlying, interest rates, coupon or dividend payments, etc.

In the highly unlikely event that an orderly functioning of markets would be no longer be guaranteed, in accordance with the Exchange Rules, Eurex has an extraordinary right to suspend trading or to terminate positions.

¹ The gross profit or loss is a customer's profit or loss before consideration of transaction fees, clearing fees, brokerage fees, tax and/ or any other administrative expenses occurring in connection with the exposure to the relevant futures position.

² More information on product-specific tick sizes and tick values can be found in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich available under: <https://www.eurexchange.com/exchange-en/resources/rules-regulations>

Instruments which are referenced as the underlying for a fixed income futures long position may include, but are not limited to³:

- a debt security issued by the government of a specific country (a government bond), or
- an agreement to exchange interest payments relating to different (pre-defined) interest rates (interest rate swap), or
- a specific interest rate index, or
- a specific corporate bond index.

Intended retail investor

An exchange is as a neutral trading platform, where various types of market participants can interact. Potential customers of fixed income futures long comprise of retail clients, professional clients and eligible counterparties, who pursue a strategy of capital optimisation, leverage for the purpose of directional investing, arbitrage or hedging, and who may have a short-term, mid-term or long-term investment horizon. The potential customer could bare financial losses exceeding the initially invested capital, and does not require capital protection (repayment of the invested capital is not guaranteed). The fixed income futures long is a product suitable for clients with extensive knowledge and/or experience in derivative financial products.

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

Risk indicator



The product can be kept for the duration of a short-, medium- or long-term investment horizon.

The summary risk indicator is a guide to the level of risk of these products compared to other products. It shows how likely it is that a product will lose money because of movements in the markets or because we are not able to pay you.

We have classified these products as 7 out of 7, which is the highest risk class. This rates potential losses from future performance at a very high level. Futures are leveraged products; initial costs of a customer, e.g. execution fees, assets deposited to secure the future's exposure, account for only a small percentage of the traded contract's overall value. Small changes in the future's price can result in huge gains or losses.

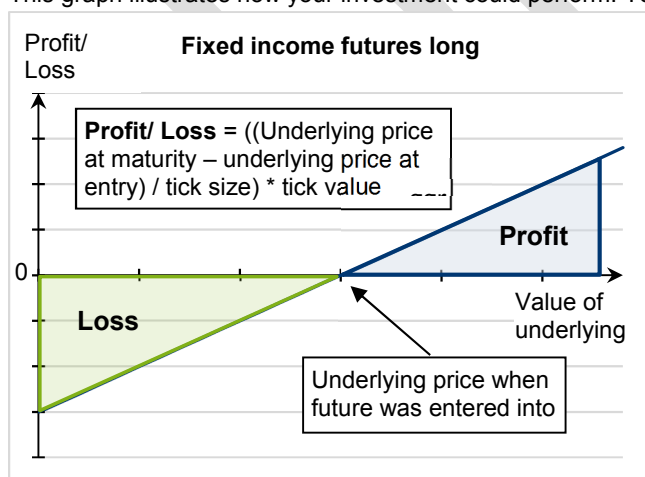
Be aware of currency risk. Depending on the chosen product, you will receive payments in a different currency, so the final return you will get will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

In some circumstances, you may be required to make further payments to pay for losses. **The total loss you may incur may significantly exceed the amount invested.**

These products do not include any protection from future market performance so you could lose some or all of your investment.

Performance scenarios

This graph illustrates how your investment could perform. You can compare it with the pay-off graphs of other derivatives.



The graph presented gives a range of possible outcomes and is not an exact indication of what you might get back. What you get will vary depending on how the underlying will develop. For each value of the underlying, the graph shows what the profit or loss of the product would be. The horizontal axis shows the various possible prices of the underlying value on the expiry date and the vertical axis shows the profit or loss⁴.

Buying this product holds that you think the underlying price will increase.

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.

Before entering into a fixed income futures long, the customer

must have made their own independent assessment on whether to enter into such a contract and decide as to whether the respective product is appropriate or proper for themselves, based upon the customer's own judgment and the recommendation from the persons selling or advising. The scenarios indicated in the graph illustrate a range of possible returns for this product.

³ More information on different underlying's of fixed income futures can be found in in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich available under: <https://www.eurexchange.com/exchange-en/resources/rules-regulations>

⁴ Please note that the profit or loss should be understood to be the gross profit or loss in this graph.

What happens if Eurex Deutschland is unable to pay out?

Eurex Deutschland is an exchange approved under German law and provides a trading platform for the conclusion of financial transactions between market participants. Eurex Deutschland does not act as counterparty to any market participant with respect to any of these transactions.

Any transaction traded on Eurex Deutschland is centrally cleared by Eurex Clearing AG⁵.

What are the costs?

Cost over time

Eurex Deutschland does not charge costs or fees to its Trading Participants. However, all products covered by this KID are centrally cleared by Eurex Clearing AG, a service for which Eurex Clearing AG charges transaction fees and clearing fees⁶.

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.

| | If you cash in at maturity |
|---------------------------------|----------------------------|
| Total costs | n/a |
| Impact on return (RIY) per year | n/a |

Composition of costs

| This Table shows the impact on return per year | | | |
|--|-----------------------------|-----|---|
| One-off costs | Entry costs | n/a | The impact of the costs you pay when entering into your investment. |
| | Exit costs | n/a | The impact of the costs of exiting your investment when it matures. |
| Ongoing costs | Portfolio transaction costs | n/a | The impact of the costs of us buying and selling underlying investments for the product. |
| | Other ongoing costs | n/a | The impact of the costs that we take each year for managing your investments and the costs presented in Section II. |
| Incidental costs | Performance fees | n/a | The impact of the performance fee. We take these from your investment if the product outperforms its benchmark. |
| | Carried interests | n/a | The impact of carried interests. |

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

No recommended holding period is prescribed for these products by the exchange. Each customer's optimal holding period depends on their individual investment strategy and risk profile.

Both, the buyer and the seller of a future can exit their exposure to a future as further described in the section "Objectives". Customers can roll forward their exposure in a future (at or before maturity) to match their investment horizon. To roll a future means to extend its maturity by closing the initial contract and opening a new longer dated contract with the same underlying.

How can I complain?

In case of complaints about the products covered by this KID or about the conduct of the PRIIP manufacturer, please contact xxxx@eurexchange.com. In case of a complaint regarding a person advising on, or selling, or distributing to you the product, please directly contact the institution which the respective person represents.

Other relevant information

Further information regarding fixed income futures long can be found on our website: <http://www.eurexchange.com/exchange-en/products/int/fix>.

⁵ More information regarding Eurex Clearing can be found on its official website: <http://www.eurexclearing.com/clearing-en/>.

⁶ For detailed information on transaction fees and clearing fees, please refer to the Price List of Eurex Clearing AG, available under this link: <https://www.eurexchange.com/exchange-en/resources/rules-regulations>.