

Cross-cutting PRIIPs KID RTS Questions

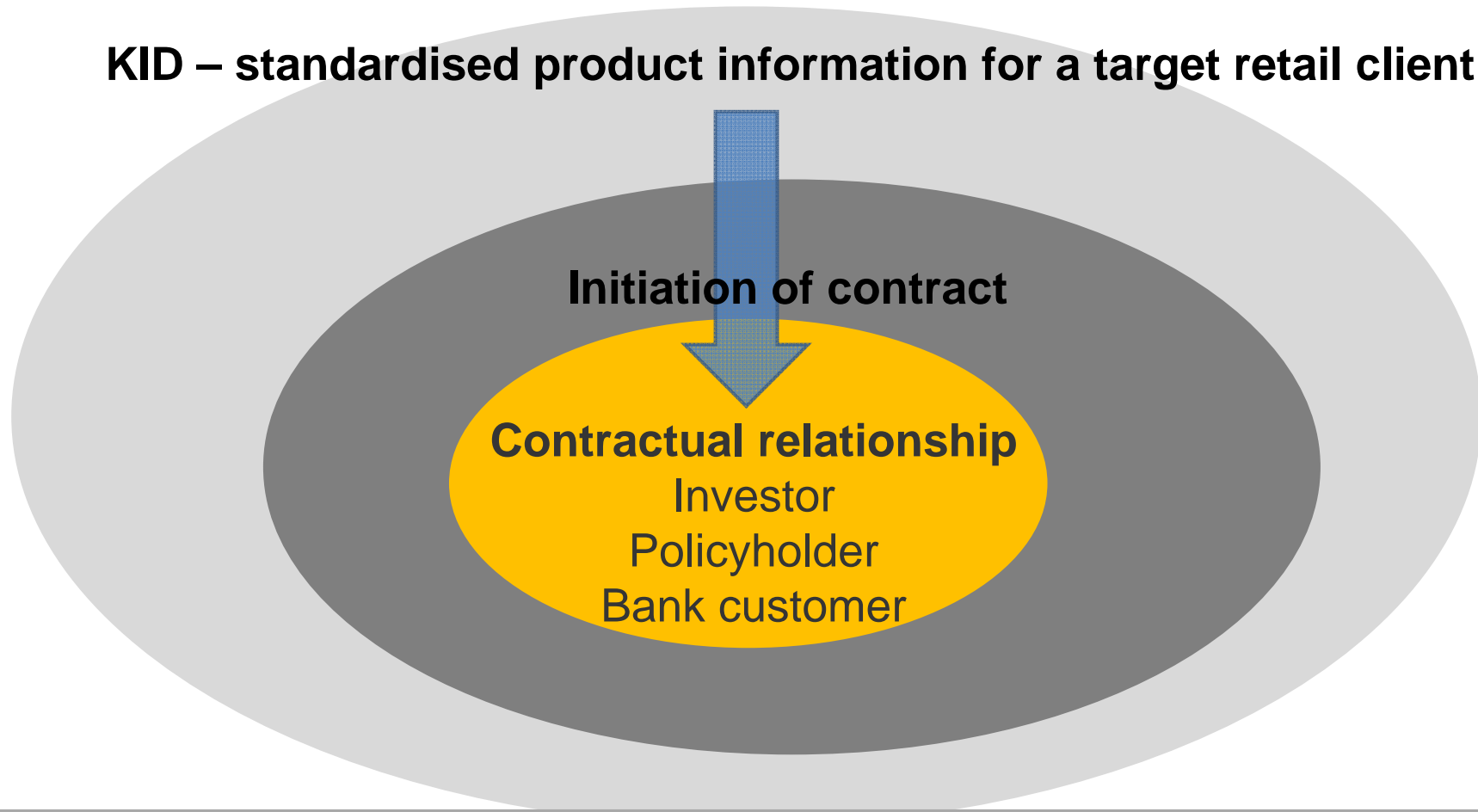
Brussels, 11 July 2016

Q1: *What are typical examples where there is no KID obligation?*

- Products that are not PRIIPs
- PRIIPs sold to a professional investor
- PRIIPs bought and sold by a portfolio manager, including in the name and for the account of a retail investor
- PRIIPs offered to **non** EU / EEA clients, e.g. outside the EU / EEA

Q2: *Where are the boundaries between KID information and individual contractual information?*

KID – standardised product information for a target retail client



Q3: Which are typical examples where the manufacturer's KID obligation ceases?

- When retail investors cannot buy the product or enter the contract anymore
 - Manufacturer offers price for redemption only
 - Closed books of business
 - Variations to individual contracts
 - Personalisation
- ⇒ *Reversely as a general rule the KID obligation applies for any new subscription of a PRIIP*

Q4: Can a manufacturer add information to the template?

- Key information gives the consumer „*accurate, fair, clear and non misleading*“ standardised information according to Art. 6(1) PRIIPs Regulation
- The RTS provides the standards for achieving „*accurate, fair, clear and non misleading*“ standardised information, in combination with the PRIIPs Regulation
- Where the PRIIP Regulation requires information not addressed in the RTS, the RTS do not prevent it being included.
- The KID template may not be re-designed.

Q5: *MOPs: multiple option products?*

- Format for information on the underlying investment options is not standardised – use of tables, or other techniques possible
- The information for the underlying investment options should include -- relative to that investment option -- the same items information as in the KID for other PRIIPs – e.g. SRI, performance scenarios, cost information
- There is no obligation to produce specific information to reflect combinations of investment options, so long as the retail investor receives, for the options they choose, the information set out in Article 14
- There is no necessary obligation to look through underlying investment options to the underlyings in turn of those options, so long as the information is clear fair and not misleading about the option offered

Q6: *Revision: KIDs on Demand*

- The RTS do not require KIDs to be produced ,on demand‘ or in ,real time‘, e.g. on an intra-day basis.

However, they also do not block such an approach.

Any KID must however follow the RTS rules, including for instance the measure under Annex II point 55 on MRM class review.

- Does the production of a KID ,on demand‘ satisfy the revision obligations in Art. 16 (3) RTS ?

Yes.

Thank you for your attention !