Key Information Document ("KID")

Julius Bär

Purpose

This document provides you with key information about this investment product. It is not marketing material, investment advice, or an invitation or offering to purchase the product. It is information 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 put option short (position of the option seller/potential currency buyer)
Product manufacturer:	Bank Julius Baer & Co Ltd., Switzerland (Julius Baer)
Website:	https://derivatives.juliusbaer.com/en/home
Phone number:	+41 58 888 87 58
Competent authority:	The Manufacturer is regulated by the Swiss Financial Market Supervisory Authority FINMA. FINMA is not the competent authority in the technical sense of the EU regulation 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as Switzerland is not a member of the EU.
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You are about to purchase a product that is not simple and may be difficult to understand.

1. What is this product?

Type

FX put options are derivative based contracts. A derivative is a financial contract, which derives its value from the value of another underlying instrument, asset or index, in this case the underlying currency.

Objectives

A put option gives the buyer (long position) the right, but not the obligation, to sell the underlying asset at a certain time in the future for a certain price (the option's strike price). An FX put option has a pre-defined maturity date. The seller of a put option (short position) sells the above rights to sell to the buyer, and will be obliged to buy the underlying asset at the pre-defined time for the strike price, if the buyer exercises his selling right. By entering into this FX put option short you would act as the buyer of the underlying.

For the potential selling right of the underlying, the option buyer pays the option seller the option's premium (the price of the option). An option's premium can fluctuate due to movements and expectations of the following non-exhaustive list of parameters: the difference between the option's strike price and the price of the underlying asset, interest rates, remaining time until expiry of the options contract, expected volatility in the underlying asset, etc.

The buyer and the seller have opposing expectations of how the value of the underlying, and thus the option's premium will develop. The buyer of a put option expects that upon the option's expiration or closure the underlying asset's market value will be lower than the option's strike price minus the option's premium. The seller of an options put expects that upon the option's expiration or closure the underlying asset's market value will be higher than the option's strike price minus the option's premium.

The risk and reward profile at maturity is depicted in the section "Performance scenarios". The gross profit or loss of the buyer of a put option depends on the underlying asset's market value at the option's expiration or closure. For FX options, the market value of the underlying is the FX spot rate for a specific currency pair.

The gross profit or loss of the seller of a put option is calculated as the options premium minus the strike price plus the underlying assets value at maturity. If the sum of the underlying asset's market value at maturity date plus the option's premium is higher than the option's strike price, the seller of the put option will make a profit. If the sum of the underlying asset's market value at maturity date plus the option premium is lower than the option's strike price the seller of the put option will make a loss. The maximum potential gross loss of the seller of a put option is the strike price minus the option's premium. The put option seller's maximum gross profit is the option's premium. The put option seller's pay-off is zero, if the option's strike price minus the underlying's market value at maturity equals the option's premium.

Intended retail investor

Potential customers of FX options put short comprise professional clients and retail clients with extensive knowledge and/or experience in derivative financial products. The product is suitable for the purpose of capital optimisation, leverage for the purpose of directional investing, arbitrage or hedging. It can be used for a short-term, mid-term or long-term investment horizon, depending on the maturity date. The potential customer must be able to bear financial losses up to the strike price minus the option premium, and does not require capital protection (repayment of the invested capital is not guaranteed).

Before entering into an FX put option, you must make your own independent assessment on whether to enter into such a contract and whether it is appropriate for you based on your knowledge and experience, your financial situation, and your investment needs, according to your own judgment and the recommendation from the persons selling or advising this product to you.

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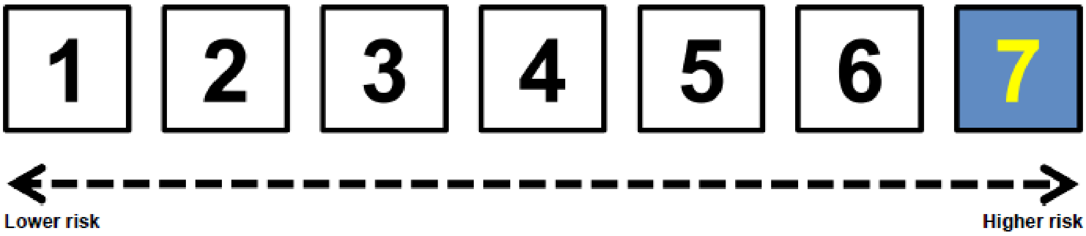
2. What are the risks and what could I get in return?

Risk indicator

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 of a default risk of the issuer or counterparty.

We have classified the FX option put short as 7 out of 7, which is the highest risk class, because of the complex derivative nature of the product and because the potential losses may significantly exceed the option’s premium, which may happen based on a comparably small price movement of the underlying (leverage effect).



Options are leveraged products; initial costs of a customer, e.g. execution fees, assets deposited to secure the option’s exposure, account for only a small percentage of the traded contract’s overall value. Small changes in the underlying assets market value can result in huge gains or losses, which significantly exceed the options price. These products do not include any protection from future market performance. Be aware of currency risk. You may receive payments in a different currency, so the final return you get will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

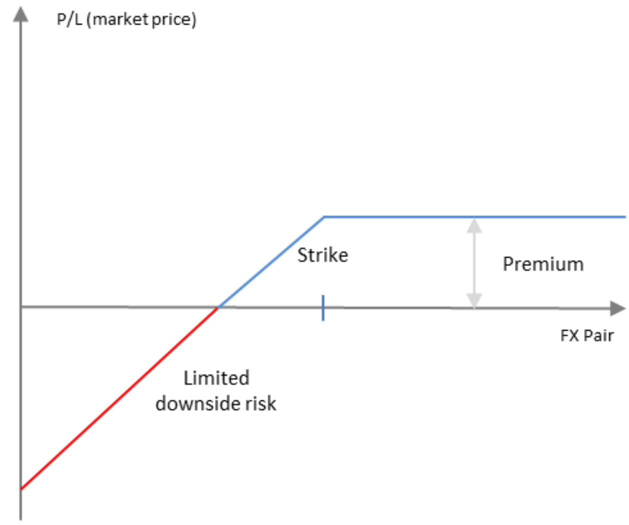
Profit and Loss Prospect

Your maximum profit equals the option’s premium. Your maximum loss equals the strike price minus the option’s premium.

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 at maturity. The horizontal axis shows the various possible market values of the underlying assert on the expiry date and the vertical axis shows the profit or loss. Entering an FX option put short position means that you think the underlying asset’s market value will increase.

The figures do not take into account your personal tax situation, which may also affect how much you get back. Depending on the chosen product, you will receive payments in a currency different from your reference currency, The final return you will get in your reference currency may be different from the illustrations above. The figures consider the costs of the product itself, but do not include all the costs that you pay to your advisor, distributor or custodian.



Performance scenarios

(Example: Investment 10’000 EUR in FX Put Option Short on EUR/USD tenor 1 year)

		Illustrated holding period 1 year
Stress scenario	**What you might get back after costs** Average return each year	EUR -3,971.55 -39.72%
Unfavourable scenario	**What you might get back after costs** Average return each year	EUR -925.86 -9.26%
Moderate scenario	**What you might get back after costs** Average return each year	EUR 25.11 0.25%
Favourable scenario	**What you might get back after costs** Average return each year	EUR 180.00 1.80%

3. What happens if the manufacturer is unable to pay out?

In the case of insolvency or bankruptcy of the manufacturer, the retail investor is exposed to the risk that the manufacturer might be unable to meet its obligations in connection with the product. This product is not subject to any statutory or other deposit guarantee scheme or any other type of warranty. If the manufacturer is no longer able to meet its payment obligations, you may suffer a partial, full or even your investment amount exceeding loss. In the case of bankruptcy, the competent resolution authority may prescribe a premature termination of the derivative instrument. If, as a result of the termination, a payment claim on the end of the retail investor should arise, the competent authority’s termination order may result in it being written down in part or in full.

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4. 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 figures are estimates and may change in the future.

Cost over time

Total costs (Based on investment of 10'000.-)	Tier 1 CCY (AUD CAD CHF CNH EUR GBP JPY NOK NZD SEK SGD USD)	Tier 2 CCY (AED CNY CZK DKK HKD INR KRW MXN MYR PLN TWD)	Tier 3 CCY (BRL HUF IDR ILS RUB THB TRY XAU ZAR BGN KWD RON XAG XPD XPT ARS PKR)
	150.-	170.-	220.- to 300.-
Impact on Return (RIY)	2%	2.30%	3.5%

Composition of costs

One-Off costs	*Entry costs*	See Total costs	The impact of the costs you pay when entering into your investment. When entering your investment you will be charged a one-off commission in % depending on the trade volume and the currency pair.
	Exit costs	n/a	The impact of the costs of exiting your investment when it matures.
Ongoing costs	*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.
Incidental costs	*Performance fees*	n/a	The impact of the performance fees. We take these from your investment if the product outperforms its benchmark.
	Carried interests	n/a	The impact of carried interest.

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

The illustrated holding period of an FX options put short is the pre-defined maturity date. As seller of an FX put option you will receive a premium from the option buyer at the conclusion of the contract. There is no investment you have to make at the conclusion of the contract, thus no money can be "taken out". You can exit the exposure to this option put short by entering into an opposing option put long position (with the same underlying, maturity and strike price) with Bank Julius Baer & Co Ltd. This would require you to pay an option premium, which may be higher than the premium you received for the original option.

Exchange Listed	n/a	**Price quotation**	nominal
Smallest tradable unit	n/a		

6. How can I complain?

Any complaint regarding the conduct of the persons advising on, or selling, the product can be submitted directly to these persons or their supervisors. Any complaint regarding the product or the conduct of the manufacturer of this product can be addressed in writing to the following address: Bank Julius Baer & Co. Ltd., Hohlstrasse 604/606, P.O. Box, 8010 Zurich, Switzerland, or by email to: derivatives@juliusbaer.com or at the following website: https://derivatives.juliusbaer.com/en/home.

7. Other relevant information

General information on financial instruments can be requested free of charge at https://derivatives.juliusbaer.com/en/home. If the preparation of issuance programme documentation is required for a product, please consult also these documents, such as the Termsheet, Prospectus, etc., and request it from your client advisor or free of charge from https://derivatives.juliusbaer.com/en/home.
This product may not be offered or sold, directly or indirectly, in the United States of America or to U.S. persons. The term "U.S. person" is defined in Regulation S under the U.S. Securities Act of 1933, as amended.