

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 to compare it with other products.

Product

Fixkupon Express Zertifikate on Osram Licht AG

ISIN: DE000VA7LTU2 / German Securities Code (WKN): VA7LTU

Product Manufacturer: Bank Vontobel Europe AG, Frankfurt/Main Branch, Germany, website: <https://zertifikate.vontobel.com>
Call 00800 93 00 93 00 for more information

Issuer: Vontobel Financial Products GmbH, Frankfurt/Main, Germany, with a product guarantee by Vontobel Holding AG, Zurich, Switzerland (Guarantor)

Competent Authority: Federal Financial Supervisory Authority (BaFin), Germany

This document was created on 13 November 2018, 04:07 (local time Frankfurt/Main)

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

What is the product?

Type Debt instrument in bearer form, evidenced by a global certificate, governed by German law.

Objectives The objective of this product is to provide you with the possibility of receiving an enhanced return in exchange for taking the risk of a loss of some or all of your investment. The product is a complex financial instrument linked to one Underlying (Osram Licht AG). It has a fixed term and will be due on the Maturity Date, unless terminated early.

You will receive a Bonus Amount on each Bonus Payment Date irrespective of the performance of the Underlying, unless terminated early.

The product will terminate prior to the Maturity Date if, on a Valuation Date, the Reference Price of the Underlying equals or exceeds the Redemption Level.

On any such early termination, on the Early Redemption Date you will receive a cash amount equal to the Early Redemption Amount. No bonus payments will be made after the Redemption Date.

If the product has not terminated early, the product will be redeemed on the Maturity Date as follows:

1. If the Observation Price of the Underlying is always above the Barrier during the Observation Period, you will receive the Nominal Amount on the Maturity Date.
2. If the Observation Price of the Underlying is equal to or below its Barrier at least once during the Observation Period:
 - a) You will receive the Nominal Amount on the Maturity Date if the Reference Price of the Underlying equals or exceeds the Strike on the Final Valuation Date.
 - b) If the Reference Price of the Underlying is below its Strike on the Final Valuation Date, you will receive the Underlying according to the Ratio. You will receive such Underlying only in integral numbers. In addition, you will receive a compensation payment equal to the fractional number of the Ratio, multiplied by the Reference Price of the Underlying. In such case the sum of the value of the delivered Underlyings on the Maturity Date, the compensation payment and the Bonus Amounts paid will generally be less than the amount you invested, so that you will make a loss.

You are not entitled to receive any dividend from an Underlying and you have no right to any further entitlement resulting from any such Underlying (e.g. voting rights).

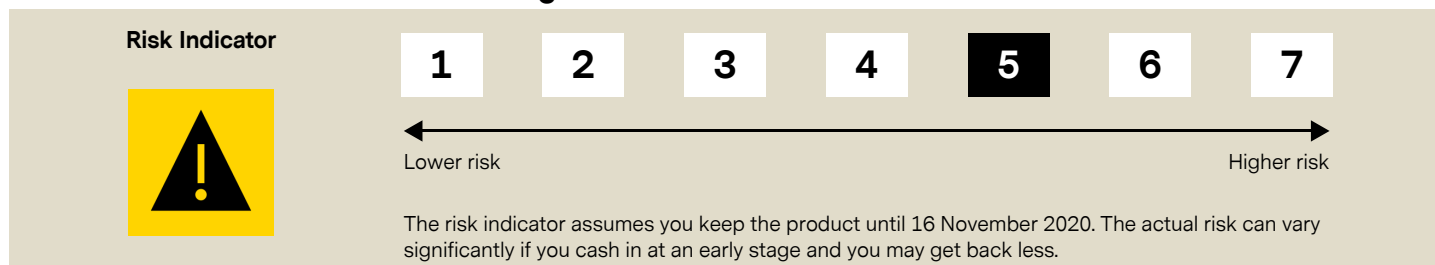
Product			
Product Currency	EUR	Observation Period	9 November 2018 to 9 November 2020, continuous monitoring
Nominal Amount	EUR 1,000.00	Valuation Dates	Semi-Annually, first time on 9 May 2019, last time on 11 May 2020
Purchase Price	EUR 1,000.00	Early Redemption Dates	Semi-Annually, first time on 16 May 2019, last time on 18 May 2020
Early Redemption Amount	EUR 1,000.00	Final Valuation Date	9 November 2020
Initial Fixing Date	9 November 2018	Maturity Date (Maturity)	16 November 2020
Issue Date	9 November 2018		
Payment Date	16 November 2018		
Type of Settlement	Physical delivery		
Bonus			
Bonus Amount	EUR 25.00 (5.00% p.a.)	Bonus Payment Dates	Semi-Annually, first on 16 May 2019, last on 16 November 2020

Underlying			
Osram Licht AG			
Type	Registered Share	Ratio	29.05288
ISIN	DE000LED4000	Strike	EUR 34.42
Currency	EUR	Redemption Level	EUR 34.42
Reference Exchange	XETRA	Barrier	EUR 18.07
Reference Price	Closing price on the Reference Exchange	Observation Price	Price of Underlying on the Reference Exchange
Initial Reference Price	EUR 34.42		

The Issuer is entitled to terminate the product with immediate effect, if an extraordinary event occurs. Examples of extraordinary events include the delisting or cessation of an Underlying. In this case, the termination amount may be significantly less than the amount you invested. A total loss of the investment is possible. You also bear the risk that the product will be terminated at a time unfavourable to you, and you may only be able to reinvest the termination amount on less favourable terms.

Intended retail investor The product is intended for retail investors who intend to form and / or optimize assets in general and have a short-term investment horizon. The product is designed for investors with informed knowledge and / or experience with financial products. The investors are able to bear a total loss of their investment and do not attach any importance to capital protection.

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



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 the Issuer and the Guarantor are not able to pay you.

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions are very unlikely to impact the capacity of the Issuer and the Guarantor to pay you. **Be aware of currency risk** if your reference currency differs from the Product Currency. **You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies.** This risk is not considered in the indicator shown above. In the case of the physical delivery of the Underlying, price losses may arise even after the Valuation Date until the Underlying is credited to your securities account. This product does not include any protection from future market performance so you could lose some or all of your investment. If the Issuer and the Guarantor are not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Investment EUR 10,000		Recommended holding period 16 November 2020	
Scenarios		1 Year	16 November 2020
Stress scenario	What you might get back after costs Average return each year	EUR 1,630.30 -83.53%	EUR 2,410.95 -38.06%
Unfavourable Scenario	What you might get back after costs Average return each year	EUR 7,708.20 -22.87%	EUR 5,540.31 -22.37%
Moderate scenario	What you might get back after costs Average return each year	EUR 10,250.00 2.50%	EUR 10,250.00 1.25%
Favourable scenario	What you might get back after costs Average return each year	EUR 9,513.37 -4.86%	EUR 11,000.00 5.02%

This table shows the money you could get back over the next 2 years, under different scenarios, assuming that you invest EUR 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. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the Issuer and the Guarantor are not able to pay you. 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.

What happens if Vontobel Financial Products GmbH is unable to pay out?

You are exposed to the risk that the Issuer and the Guarantor might be unable to fulfil their obligations in respect of the product and the guarantee – e.g. in the event of insolvency (inability to pay / over-indebtedness) or an administrative order of resolution measures. In case of a crisis of the Guarantor such an order can also be issued by a resolution authority in the run-up of an insolvency proceeding. Thereby the resolution authority has extensive intervention powers. Among other things, it can reduce rights of the investors to zero, terminate the guarantee or convert it into shares of the Guarantor and suspend rights of the investors.

A total loss of your capital invested is possible. The product is a debt instrument and as such is not covered by any deposit protection scheme.

What are the costs?

Costs over time

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 amounts shown here are the cumulative costs of the product itself. The figures assume you invest EUR 10,000.00. The figures are estimates and may change in the future.

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.

Investment EUR 10,000.00	If you cash in after 1 year	If you cash in on 16 November 2020 (maturity)
Total costs	EUR 296.96	EUR 296.96
Impact on return (RIY) per year	3.137%	1.581%

Composition of Costs

The table below shows:

- the impact of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year

One-off costs	Entry costs	1.581%	The impact of the costs already included in the price.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.

Ongoing costs	Portfolio transaction costs	-	Not applicable
	Other ongoing costs	0.00%	The impact of the costs that we take each year for managing your investments.

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

Recommended Holding Period: until 16 November 2020 (maturity)

The redemption described in section "What is this product?" above only applies if the product is held until maturity.

The product does not provide for an early termination or exercise right of the investor. Therefore, investors should be prepared to stay invested for the term of the product. The only possibility to cash in the product earlier is by selling the product through the exchange where the product is listed or outside of such exchange.

Exchange Listing	Frankfurt Stock Exchange (Freiverkehr), Stuttgart Stock Exchange (Freiverkehr)	Last Exchange Trading Day Price Quotation	9 November 2020, 12:00 Unit quotation
Smallest Tradable Unit	1 Product		

A sale of the product may in particular not be possible under exceptional market circumstances or in case of technical disruptions. If you sell the product before its maturity, you may receive back less than if you had kept the product until maturity.

How can I complain?

Any complaint regarding the person advising on, or selling, the product can be submitted directly to that person via the relevant website. Any complaint regarding the product, this document or the conduct of the Manufacturer and/or the Issuer of this product can be submitted in text form (e.g. by letter or e-mail) to Bank Vontobel Europe AG, Financial Products, Bockenheimer Landstrasse 24, 60323 Frankfurt/Main, Germany, email: zertifikate.de@vontobel.com, website: <https://zertifikate.vontobel.com>.

Other relevant information

The prospectus, any supplements thereto and the final terms are, in accordance with legal requirements, available free of charge on the website <https://zertifikate.vontobel.com>. In order to obtain more detailed information - and in particular details of the structure of and risks associated with an investment in the product - you should read these documents.