

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

Open-End Knock-Out Warrant on Adyen N.V.

ISIN: DE000VA90UJ1

Product Manufacturer: Bank Vontobel Europe AG, Frankfurt/Main Branch, Germany, website: <https://beursproducten.vontobel.com>
Call **08000 228413** for more information

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

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

This document was created on 23 January 2019, 00:46 (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 represented by a global bearer security and registered in uncertificated book-entry form, governed by German law.

Objectives The objective of this product is to provide you with disproportionate (leveraged) participation in any price movement of the Underlying. This has the effect, inter alia, that you are exposed to a very high risk of a total loss of your investment. The product is a complex financial instrument linked to one Underlying (Adyen N.V.).

The product expires during its term if a barrier event occurs. A barrier event occurs if the price of the Underlying is at or below the Current Barrier at any time during the Observation Period. In this case the product expires worthless immediately.

The Current Strike and the Current Barrier are adjusted daily to reflect financing cost incurred by the Issuer. Such adjustment is determined based on a specific market interest plus an Issuer margin (Financing Spread).

In addition to the adjustments described above, the Current Strike and the Current Barrier will be adjusted in case of a dividend distribution by the Underlying's issuer. This may reduce the value of the product.

The product does not have a fixed maturity. You may exercise the product on any bank business day from the First Exercise Date. The Issuer has the right to terminate the product on any bank business day, subject to a notice period of one bank business day. After exercise or termination and – subject to the prior occurrence of a barrier event –, you will receive a redemption amount on the Redemption Date which equals the amount by which the Reference Price of the Underlying exceeds the Current Strike on the Exercise or Termination Date, multiplied by the Ratio.

Product			
Product Currency	EUR	Payment Date	22 November 2018
Observation Period	From 22 November 2018, continuous monitoring	Option Type	Call
Purchase Price	EUR 24.80	Type of Settlement	Cash
Initial Fixing Date	21 November 2018	Redemption Date	5 bank business days after barrier event, Exercise Date or Termination Date
Issue Date	22 November 2018	Financing Spread	2.00% (max. 5.00%)
First Exercise Date	22 November 2018		

Underlying			
Adyen N.V.			
Type	Registered Share	Initial Reference Price	EUR 436.95
ISIN	NL0012969182	Ratio	0.1
Currency	EUR	Current Strike	EUR 407.4164
Reference Exchange	Euronext Amsterdam	Current Barrier	EUR 407.4164
Reference Price	Closing price on the Reference Exchange		

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 seek to disproportionately participate in price changes and / or to hedge another investment and have a very short-term investment horizon. The product is designed for investors with advanced 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?

Risk Indicator



The risk indicator assumes you keep the product for 1 calendar day (sample period). The actual risk can vary significantly if you cash in at an early stage and you may get back less.

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 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very 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. 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		Sample period 1 calendar day
Scenarios		
Stress scenario	What you might get back after costs Percentage return (not annualized)	EUR 4,322.82 -56.77%
Unfavourable Scenario	What you might get back after costs Percentage return (not annualized)	EUR 9,089.79 -9.10%
Moderate scenario	What you might get back after costs Percentage return (not annualized)	EUR 9,375.08 -6.25%
Favourable scenario	What you might get back after costs Percentage return (not annualized)	EUR 9,650.50 -3.50%

This table shows the money you could get back at the end of the sample period, under different scenarios, assuming that you invest EUR 10,000. The scenarios shown illustrate how your investment could perform. The figures are not calculated per year, but for the sample period. Figures in this section and "What are the costs?" are not comparable with figures on products with a recommended holding period that deviates from the sample period. 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 at the end of the sample period (1 calendar day)
Total costs	EUR 418.95
Impact on return (RIY)	4.101%

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			
One-off costs	Entry costs	4.092%	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	0.007%	The impact of the costs that we take each sample period for managing your investments.

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

Recommended Holding Period: 1 calendar day (Sample period)

It is not possible to individually recommend a holding period. Due to the leverage the product reacts to smallest price movements of the Underlying leading to losses or profits within unpredictable time periods. Any individual recommendation regarding the holding period would be misleading information for a speculative investor. For investors purchasing the product for hedging purposes the holding period depends on the hedging horizon of the individual investor.

You may exercise the product on any bank business day from the First Exercise Date by instructing your depository bank to (1) transmit an Exercise Notice to Bank Vontobel AG, Zurich (Exercise Agent) in accordance with the notice period, and to (2) transfer the exercised products to the Exercise Agent. Upon effective exercise you will receive a Redemption Amount as described in more detail under "What is this product?" above. In addition, you may cash in the product earlier by selling the product through the exchange where the product is listed or outside of such exchange. If you should sell the product instead of exercising it, the amount you will receive could be lower than the amount you would have otherwise received.

Exchange Listing	Euronext Amsterdam N.V. (regulated market)	Smallest Tradable Unit Price Quotation	1 Product Unit quotation
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A sale of the product may in particular not be possible under exceptional market circumstances or in case of technical disruptions.

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: beursproducten@vontobel.com, website: <https://beursproducten.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://beursproducten.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.