

PRODUCT DISCLOSURE DOCUMENT

PURPOSE

This document provides you with information about this product to help you understand the nature, risks, potential gains and losses of the product. The target clients for this product are determined accordingly to the relevant Product Governance procedure of each business line of the Group. This document is made available to you to satisfy regulatory information requirements about financial instruments in accordance with regulatory requirements. General disclosures relating to BNP Paribas, its services, and financial instruments (including general risk warnings of the risks associated with financial instruments) it may offer to clients are also contained in the client package that was made available to you. These general disclosures remain applicable to this product.

PRODUCT

Forex Collar Currency 1 Seller Currency 2 Buyer	
Product name	European Forex Collar Currency 1 Seller ("this Product" or "Collar")
Product manufacturer	BNP Paribas SA ("BNPP" or "the Bank")

WHAT IS THIS PRODUCT?

► TYPE

An "over the counter" (OTC) derivative contract on foreign exchange rate.

► OBJECTIVES

The objective of this Product is to manage the risk of unfavourable fluctuations of the Exchange Rate, up to maturity.

At Expiry Date:

1. If the Exchange Rate is below the Low Strike Rate, the bought option expires in-the-money, and you might exercise it to buy an amount in Currency 2 against an amount in Currency 1 at Low Strike Rate
2. If the Exchange Rate is above the High Strike Rate, the sold option expires in-the-money, and you might get exercised and be constrained to buy an amount in Currency 2 against an amount in Currency 1 at High Strike Rate
3. If the Exchange Rate is between Low Strike Rate and High Strike Rate both options expire out-of-the money and there is no obligation on either party.

This Product is usually packaged as zero-cost, but the Premium that you may have to pay equals to the difference between the premium you would pay to the Bank for the bought option and the premium you would receive from the Bank for the sold option; it is zero when the two premiums coincide. Any net premium is paid in a single instalment upfront.

► PRODUCT MAIN FEATURES

Calculation Agent	BNP Paribas
Currency 1	EUR
Currency 2	USD
Notional Amount	USD 1,000,000
Exchange Rate (Currency1 vs Currency2)	EURUSD
Direction	Client buys Currency 2 / sells Currency 1
Low Strike Rate	1.1380
High Strike Rate	1.2400
Type of Option	European
Expiry Date	27 April 2027
Settlement Date	29 April 2027

Premium	0
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► INTENDED CLIENT

This Product is only for clients who:

- Need to buy Currency 2 against Currency 1 at Expiry Date for the relevant Notional Amount.
- Have the financial capacity to enter into this Product and to bear any potential loss related thereto.
- Need, up to maturity, a protection against a possible appreciation of the Currency 2 vs Currency 1, either (a) to cover their buy needs in Currency 2 or (b) to manage their treasury needs but wish to keep the opportunity to benefit from a depreciation of the Currency 2 vs Currency 1 up to the High Strike Rate.
- Have sufficient knowledge and experience to understand how this Product works and to assess the associated opportunities and risks.

WHAT ARE THE RISKS AND BENEFITS OF THE PRODUCT?

Risks	Benefits
Above the High Strike Rate, the Client will be constrained to buy Currency 2 against Currency 1 at the High Strike Rate, worse than the then prevailing market rate.	The Client is protected against a possible appreciation of the Currency 2 vs Currency 1 below the Low Strike Rate.
Between the High Strike Rate and Low Strike Rate, the Client remains exposed to the fluctuation of the exchange rate.	The Client can participate in favourable moves of the Exchange Rate up to the High Strike Rate.
	Instrument is zero-cost or premium is lower to the premium required for a plain option where Client buys Currency 2 vs Currency 1 at Low Strike Rate.

► SCENARIO ANALYSIS

CAUTION: The following scenario is provided solely for illustrative purposes. All figures in the table are hypothetical and are intended only to demonstrate how cash-flows are calculated at each expiration date. They do not represent a precise reference, nor any forecast of future exchange-rate movements. The cash-flows derived from the rates in the table do not incorporate discounting. Therefore, should the scenario materialise, the total cash-flows would not be equivalent to the option's mark-to-market value.

Expiry Date	EURUSD Exchange Rate	Bought Option Exercised?	Sold Option Exercised?	Exchange Rate Applied to Client	Notional Amount USD	Currency Amount EUR
27/04/2027	1.1896	No	No	None	None	None
27/04/2027	1.1000	Yes	No	1.1380	1,000,000.00	878,734.62
27/04/2027	1.2500	No	Yes	1.2400	1,000,000.00	806,451.61

Scenarios details:

- Exchange rate = 1.1896

On 27/04/2027, the two options expire out-the-money, there is no obligation between the Client and the Bank. The client can buy USD 1,000,000.00 in the market at the then prevailing market rate of 1.1896.

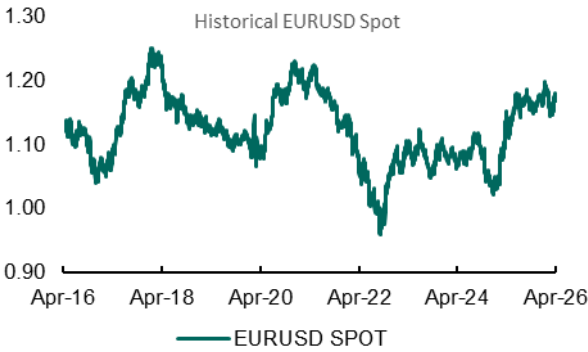
- Exchange rate = 1.1000 (below Low Strike Rate of 1.1380)

On 27/04/2027, the bought option expires in-the-money, and the Client can exercise it and buy USD 1,000,000.00 from the Bank at the Strike Rate of 1.1380, selling EUR 878,734.62 (instead of EUR 909,090.91 that would have been required at the market exchange rate of 1.1000).

- Exchange rate = 1.2500 (above High Strike Rate of 1.2400)

On 27/04/2027, the sold option expires in-the-money, and the client is constrained to buy USD 1,000,000.00 from the Bank at the Strike Rate of 1.2400, selling EUR 806,451.61 (instead of EUR 800,000.00 that would have been achieved at the then prevailing market rate of 1.2500).

► Market References: Historical Performance



April 2016 – April 2026 EURUSD	
Maximum	1.2510
Minimum	0.9600
Average	1.1230
Last Price	1.1740



April 2016 – April 2026 1-Year (25D) Historical Risk Reversal	
Maximum	1.65%
Minimum	-3.09%
Average	-0.68%
Last Price	0.13%