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Date: 25.06.2020

TARGET MARKET ASSESSMENT WARNING LETTER

You are receiving this letter because you are about to invest in structured products manufactured by Brokercreditservice Structured Products Plc. ("**Structured Products**").

Following the implementation of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments Directive 2014/65/EU Of The European Parliament And Of The Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II) and in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017) in Cyprus, an investment firm is required to assess the compatibility of the financial instruments with the needs of the clients to whom it provides investment services, by also taking into account the identified target market of end clients ("**Target Market**").

Under the above legislation, we are required to identify and assess the Target Market in a proportionate manner depending on the type of services provided.

WARNING: Please take into consideration with regard to Structured Products, we are solely providing an execution only service under an appropriateness test. Therefore, **we are not in a position to conduct a thorough assessment of your financial circumstances, or compatibility with the Target Market of the Structured Product(s).**

In particular, we shall not be making any assessment as to whether the Structured Products are compatible with your:

1. financial situation with a focus on your ability to bear losses;
2. risk tolerance;
3. objectives and needs.

Therefore, it shall be up to you to make the above referenced assessment based on any available document or information about the Structured Products or by relying on independent financial advice. In this respect, and as a potential input to your assessment, please find attached the document containing information about the intended target market identified by Brokercreditservice Structured Products Plc., the manufacturer, which specifies the types of clients for whose needs, characteristics and objectives the financial instrument has theoretically been designed for, as well as any group(s) of clients for whose needs, characteristics and objectives the financial instrument is not compatible (negative Target Market).

Target Market Description

USD 21,8% per annum Phoenix Autocallable EDT linked to the worst of AMLP, HP, OIH, SPG and TRGP due

25.06.2025 Informed

Risk Warning: This information has been provided by BCS SP PLC for its Distributors to inform their customers. It is not intended to be used as investment advice, or as a recommendation to buy, hold or sell a structured product. The intention is to provide some guidance for you to understand the nature of the risks and potential reward of the product for you to decide if it's right for you. Individual circumstances have not been taken in to account – you should seek an opinion from an external source to help determine the suitability and appropriateness of this investment. Investments can go up as well as down and you may lose some or all of your capital when purchasing structured products. The manufacturer designed this product for a theoretical investor and suggests you liaise with the distributor to ascertain if you fit the criteria of its intended target market.

This investment may be right for you if:-

- You are a **retail investor with a good level of knowledge regarding the financial markets and financial instruments and understand the specific factors including the risks highlighted in the literature provided to you.**
- You are looking for **income paid Quarterly**, linked to the performance of the **underlying assets (Alerian MLP ETF Helmerich & Payne Inc VanEck Vectors Oil Services ETF Simon Property Group Inc Targa Resources Corp)**
- You understand that on a Quarterly basis, on any given observation date, **if any one of the underlying assets is below 60% of their initial level, there will be no coupon for this payment period.** However, if the affected underlying asset recovers back to at least 60% of its initial level and the other underlying assets in the basket are at or above 60% of their initial level the previous missed coupons will be paid including any other coupon due
- **You are looking to risk your capital, and in the event of the product not performing as anticipated, you will receive the amount of the product of the Current Price of the Worst Performing Share and the Volume within 5 Business Days from the Maturity Date.** The Volume shall be calculated as the Notional divided by the Second Strike Price of the Worst Performing Share rounding down to the nearest whole number. For instance on a \$10,000 investment, if the worst performing underlying asset fell 60% and the Second Strike Price is Initial Price multiplied by 1,00, you would receive 40% of their initial investment back (\$4,000) in cash.
- **You understand that on a quarterly basis on any given observation date if all underlying assets are at or above their initial level (Strike), the product will redeem early, and return the initial capital to you, including any coupons due**
- You may be looking to re-invest capital from previous Structured Product Investments which have matured or are about to mature
- You understand how debt-based investments work, and may already hold such investments
- You want the potential to secure an investment return above that available from a deposit-based investment and acknowledge and **accept the Summary Risk Indicator set out in the Key Information Document (KID)**
- **Accept that you could lose capital and be able to afford to do so**, if the underlying assets were to decline below coupon barrier at the end of the term of the investment period
- You understand that **in extreme circumstances you could lose all of your money** if the issuer, manufacturer or distributor were to default including if one of the underlying were to become insolvent
- You are willing and able to **tie up your money for the entire term** of the structured product for the objective of income

This Investment may not be right for you if:-

- **You do not understand how this investment works**
- **You are unable, or unwilling, to accept the risks associated with this product, including the loss of some or all of your money**
- **The product does not meet your investment objectives;** including if you are solely looking to achieve growth, not income, and you consider yourself as being a conservative investor.
- **If you do not understand market risk and have never invested in stocks or bonds**
- **You are close to or at retirement age with an income below 20,000 Euros (or equivalent) and less than 40,000 Euros (or equivalent) total liquid assets (stocks, bonds and savings etc) not including your property**