

Seagull

Purpose

This document provides you with key information about this 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 compare it with other products.

Product Name	Seagull
Manufacturer	Western Union International Bank GmbH (WUIB)
Website	https://business.westernunion.com/en-ie/
Contact Information	1 800 832 771
Regulator	Austrian Financial Market Authority (Finanzmarktaufsicht)
Document Date	05/02/2021

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

What is this Product?

Type An over-the-counter (OTC) foreign exchange derivative structure - Seagull

Description: The Seagull is a Structured Option which allows you to protect against the risk that GBPUSD will be less favourable than a nominated Foreign Exchange Rate (the Protection Rate) at expiry. However, if the GBPUSD moves unfavourably and exceeds the Limit Rate, the Protection Rate at which you deal will be adjusted for the difference between the Protection Rate and the Limit Rate. Should GBPUSD move favourably, it gives you the opportunity to participate in favourable movements up to a pre-determined Participation Rate where that differs from the Protection Rate.

A Seagull is structured by entering into three concurrent options. As an importer, you buy a Put Option from WUIB giving you the right, but no obligation to deal the Protected Amount with WUIB at the Protection Rate. In the second you sell a corresponding Call Option which will oblige you to exchange the Obligated Amount with WUIB at the Participation Rate should the underlying Spot Rate exceed that level at the expiry time on the Expiry Date. You then sell an additional Put Option at the Limit Rate which limits your protection against unfavourable spot movements at the difference between the Put you bought and the Put you sold.

Protection Rate	1.3799	Protected Amount	EUR 10,000
Limit Rate	1.2979	Obligated Amount	EUR 10,000
		Expiry	06/08/2021

Intended Retail Investor This product is suitable for any corporate customer that has some prior experience of hedging currency risk, using either forwards or options, who wants an enhanced initial rate of protection but is willing to accept a less favourable rate if the market moves against him.

Term This Document assumes a term of 6 months, a typical duration for this structure type; however, the term of the contract will be agreed with you when entering into the deal. Once agreed, the buyer retains the right to request cancellation of the contract prior to expiry on demand, although this will incur a cost (see below). Western Union reserves the right to terminate the contract only in circumstances where the buyer is in breach of the contract terms, or becomes insolvent.

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



Lower Risk

Higher Risk

The risk indicator assumes you keep the product for 6 months. The actual risk can vary significantly if you end your product at an early stage and you may get back less. You may not be able to end your product early. You may have to pay significant extra costs to end your product early.

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 we 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 market performance at a very high level, and poor market conditions are very likely to impact the capacity to pay you.

This product does not include any protection from future market performance so you could lose some or all of your investment.

In some circumstances you may be required to make payments to pay for losses. The total loss you may incur may significantly exceed the amount invested.

If we are not able to pay you what is owed, you could incur significant losses

Nominal Amount EUR 10,000

Scenarios		6 months (Recommended Holding Period)
Stress Scenario	What you might get back or pay after costs	EUR -2,965
	Percentage return/loss over nominal amount	-30%
Unfavourable Scenario	What you might get back or pay after costs	EUR -988
	Percentage return/loss over nominal amount	-10%
Moderate Scenario	What you might get back or pay after costs	EUR 267
	Percentage return/loss over nominal amount	3%
Favourable Scenario	What you might get back or pay after costs	EUR 1,098
	Percentage return/loss over nominal amount	11%

The table shows the money you could get back or pay over the next 6 months (Recommended Holding Period), under different scenarios, assuming a nominal value of EUR 10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios for other products.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this product 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

This product cannot be easily ended. This means it is difficult to estimate how much you would get if you end before the end of the recommended holding period. You will either be unable to end early or you will have to pay high costs or make a large loss if you do so.

The figures shown include all the costs of the product itself and includes the costs of 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 Western Union International Bank GmbH is unable to pay out?

As counterparty to your product you are relying upon WUIB's financial ability to fulfil its obligations to you upon maturity of the contract. This means that if WUIB is unable to pay out, you may not receive any amount at maturity of this contract. To aid in your assessment of this risk WUIB will provide you with a copy of its latest audited financial statements upon request. You may request a copy of our most recent financial statements by emailing us at options@westernunion.com.

What are the costs?

The Reduction In Yield (RIY) shows what impact the total costs you pay will have on the performance of the product. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the recommended holding period. They include potential early exit penalties. The figures assume a nominal value of EUR 10,000. The figures are estimates and may change in the future.

Costs over time

Nominal Amount	EUR 10,000	If you end after the Recommended Holding Period
Total Costs		EUR 25
Impact on Return (RIY)		0.25%

Composition of Costs

The table below shows:

- The impact on return per year of the different types of costs on the performance of the product at the end of the recommended holding period
- The meaning of the different cost categories

This table shows the impact on return over the recommended holding period

One-Off Costs	Entry Costs	0.25%	The Impact of the costs already included in the price.
	Exit Costs	n/a	The impact of the costs of exiting your product when it matures
Ongoing Costs	Portfolio Transaction Costs per year	n/a	The impact of costs of us buying and selling underlying investments for the product
	Other ongoing costs	n/a	The impact of costs that we take each year for managing your products and the costs presented in Section II

Entry Costs include a cost of credit which is determined by our assessment of your credit worthiness. This assessment will lead to an internal rating from A to D with the lowest credit charges for A rated customer. The above costs assume a rating of D.

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

Recommended holding period **6 months**

The recommended holding period is the duration of the OTC product as agreed in the individual contract. For this product, a holding period of 6 months is quite common and so has been used as the example; however, if you buy this option the duration should match your underlying cash flow requirements. There is no minimum holding period per se, but the product performs better when held for at least 6 months and the maximum is 24 months.

In general, the option should be held until the maturity date; however, it can be ended early at your request.

Depending on the market value of the product there may be a gain or loss to you at the point of ending the product.

How can I complain?

We have established procedures and policies to ensure that any complaint you may have is properly considered and appropriate measures are taken to address any issues. If you have a complaint, you can raise it with us by: (i) email at: wubsireland@westernunion.com); or (ii) telephone at 1800 832 771; or (iii) by post to us at our Main Office Address : Western Union International Bank GmbH, Beschwerdemanagement, The Icon Vienna (Turm 24), Wiedner Gürtel 13, 1100, Vienna, Austria.

Any complaint you make will be handled in accordance with our complaints handling procedures, copies of which are available from your Corporate Hedging Manager or on our website:

<https://business.westernunion.com/en-ie/compliance-legal/file-a-complaint>

Other Relevant Information

Further information on this product, as well as the others that we offer are available in our Product Disclosure Statement. This can be obtained by calling us on 1800 832 771 or may be downloaded from our website:

<https://business.westernunion.com/en-ie/compliance-legal/compliance>