

Illustration of forecast costs and fees for investment services and financial instruments

This document provides you with an illustration of all forecast costs and fees that will be generated as a result of the provision of R-Pension investment services.

The costs and fees applicable to R-Pension products are limited to a subscription fee of between 0.10% and 2.50%, and the fees related to the financial instrument. No custody fees, no management fees and no redemption fees are payable.

The calculation of forecast costs reflects all costs and charges within the following categories, as required by the European Directive on Markets in Financial Instruments (MiFID II) of 15 May 2014:

- **Costs and fees for investment services provided, invoiced by Banque Raiffeisen s.c. (hereinafter “the Bank”).**

These are limited to subscription fees ranging from 0.10% to 2.50%, depending on the formula chosen and the amount invested, which are debited from the client's account at the time of each subscription. The Bank does not apply such non-recurring, recurring, transactional or ancillary costs and fees.

- **Costs and fees of financial instruments, invoiced by third parties.**

This item includes recurring fees net of any commission payments such as management fees, transaction fees such as brokerage fees, and incidental costs such as performance fees within the UCITS funds.

These fees are reflected in the price of the instrument and thus not debited from the client's account.

The Bank does not apply any non-recurring fees in relation to financial instruments other than the subscription fees shown under transaction costs associated with the investment services provided by the Bank.

- **Commission payments received by the Bank.**

The Bank does not receive any commission payments on R-Pension portfolios.

To estimate forecast costs and fees, the following factors will be taken into account:

- **the amount invested each year** determines the subscription fees.
- **the term of the investment** and
- **the return of the funds** which, together with the amount invested each year, determine the value of the portfolio and accordingly the recurring fees in relation to the financial instruments and the commission payments.

Consequently, the following illustrations of forecast costs and fees have been put together based on assumptions relating to

- the annual investment,
- the term of the portfolio and
- the average annual return of the funds.

Estimates are based on the Bank's fees and terms in force on the date on which this document is published. In terms of the fees relating to financial instruments, the estimates are based on those financial instruments that are eligible for R-Pension products and their costs as communicated by issuers at the time of publication of this document.

Factsheet R-Pension

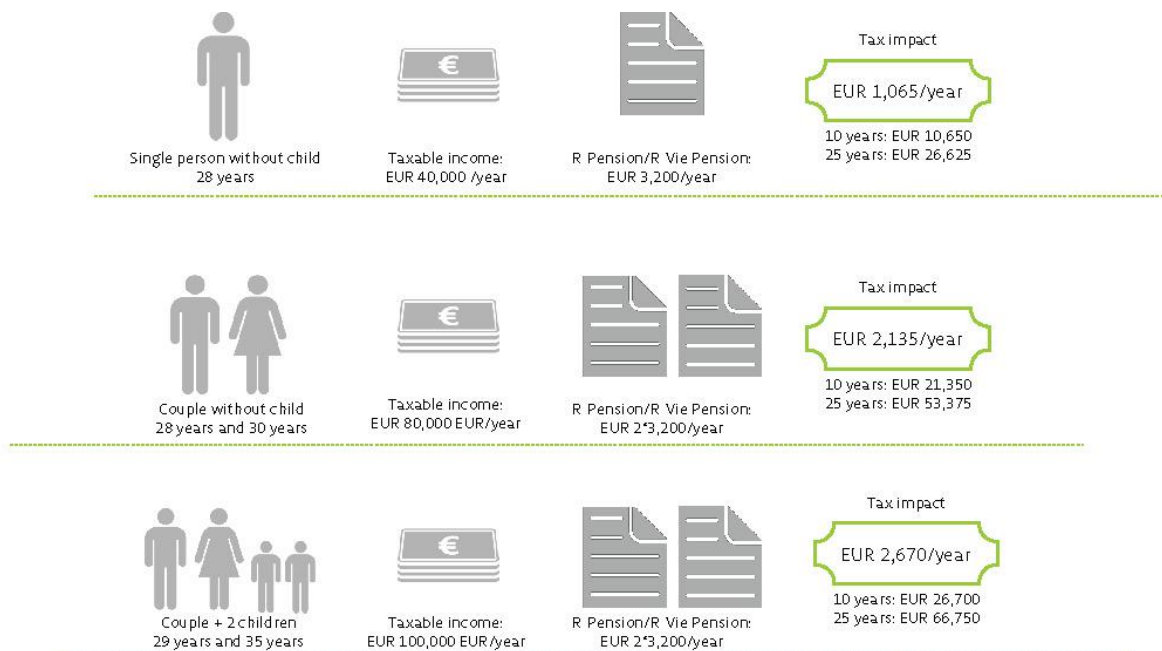
Description

The Bank's R-Pension product allows you to plan for your retirement with complete peace of mind. Available to anyone aged between 18 and 65, the R-Pension product allows you to build up additional savings for your retirement, with immediate and very significant tax benefits.

Article 111bis of the amended law on income tax provides for deductions from annual taxable income. As a result of the amendments made to this article in relation to pension saving products, the **upper limit for tax deductibility** has, since 1 January 2017, been **€3,200 per year and per taxpayer**, regardless of the taxpayer's age.

Tax impact:

Assumptions: - Presence of another product cancelling the flat rate for special expenses.
- The tax impact at exit is not taken into account.



Conditions for deductibility:

- The beneficiary is the policyholder if still alive at the term of the policy;
- The policyholder is the insured part and the taxpayer;
- The minimum subscription period is 10 years;
- The term is the insured party's 60th birthday at the earliest and their 75th birthday at the latest;
- The capital at the term of the policy may be fully reimbursed at the time of retirement, or converted into an annuity payable monthly, or both;
- The amounts paid in during the year may exceed the deductible limit;
- The policy may not be subject to cash surrender, policy loan, collateral pledge or security agreement;

Tax on benefits:

- Annuity payment: tax exempt for 50%;
- Capital at term or earlier: taxed at half the global rate.

R-Pension - Stocks formula

Detailed example: “Lux-Pension 50%” portfolio

This paragraph provides a breakdown of forecast costs and fees using the funds “LUX-Pension 50%” as an example.

Calculation assumptions:

Term of the investment:	10 years
Annual investment:	€3,200
Portfolio value after 10 years:	€36,892.40
Average annual return of the funds:	3.61% (=2016-2020 arithmetic average) *

Detailed breakdown of costs and fees between the categories prescribed by law:

	ANNUAL AVERAGE	
	AMOUNT	PERCENTAGE
Costs and fees for investment services provided, invoiced by the Bank		
- non-recurring	-	-
- recurring	-	-
- transactional	€80.00	0.43%
- incidental	-	-
Sub-total	€80.00	0.43%
Costs and fees of financial instruments, invoiced by third parties		
- non-recurring	-	-
- recurring items net of any commission payments	€201.36	1.09%
- transactional	-	-
- incidental	-	-
Sub-total	€201.36	1.09%
Commission payments received by the Bank	-	-
Total	€281.36	1.52%

*Past performance is not indicative of future performance.

The **total average annual costs and fees** of a portfolio that meets the criteria set out above are estimated at €281.36, which represents 1.52% of its average value. Costs and fees vary depending on changes in the price of the funds.

If the amount invested annually remains constant, the associated annual amount of subscription fees also remains constant. However, the value of the portfolio increases each year and consequently the amount of recurring costs and fees relating to the funds increases in the same way, on the assumption that the percentage of recurring fees relating to the funds remains the same each year.

The percentage of annual subscription fees and the percentage of total annual costs relative to the average value of the portfolio falls every year.

Costs associated with the funds

This paragraph provides an overview of the forecast costs and fees for all fund assets available under R-Pension – Stocks Formula services.

Calculation assumptions:

Annual investment: **€3,200**
 Term of the investment: **10 years**
 Average annual return of the funds: **2016-2020 arithmetic average ***

Average annual cost as a percentage of the average value of the portfolio:

Funds	Subscription fees	Fees related to the financial instrument	Commission payments	Total cost	Average annual return (2016-2020 arithmetic average) *
LUX-Pension marché monétaire	0.02%	0.77%	-	0.79%	-0.78%
LUX-Pension 25%	0.46%	1.06%	-	1.52%	2.28%
LUX-Pension 50%	0.43%	1.09%	-	1.52%	3.61%
LUX-Pension 75%	0.42%	1.38%	-	1.80%	4.63%
LUX-Pension 100%	0.40%	1.38%	-	1.78%	5.44%

*Past performance is not indicative of future performance.

R-Pension - Flow formula

Detailed example: Portfolio 60% “Lux-Pension 100%” & 40% “Lux-Pension marché monétaire”

This paragraph provides a breakdown of forecast costs and fees using the example of a 60% investment in the funds “LUX-Pension 100%” and a 40% investment in the funds “Lux-Pension marché monétaire”.

Calculation assumptions:

Term of the investment:	10 years
Annual investment:	€3,200
Portfolio value after 10 years:	€35,601.22
Average annual return of the funds:	2.95% (=2016-2020 arithmetic average) *

Detailed breakdown of costs and fees between the categories prescribed by law:

	ANNUAL AVERAGE	
	AMOUNT	PERCENTAGE
Costs and fees for investment services provided, invoiced by the Bank		
- non-recurring	-	-
- recurring	-	-
- transactional	€49.28	0.27%
- incidental	-	-
Sub-total	€49.28	0.27%
Costs and fees of financial instruments, invoiced by third parties		
- non-recurring	-	-
- recurring items net of any commission payments	€204.38	1.14%
- transactional	-	-
- incidental	-	-
Sub-total	€204.38	1.14%
Commission payments received by the Bank	-	-
Total	€253.66	1.41%

*Past performance is not indicative of future performance.

The **total average annual costs and fees** of a portfolio that meets the criteria set out above are estimated at €253.66, which represents 1.41% of its average value. Costs and fees vary depending on changes in the price of the funds.

If the amount invested annually remains constant, the associated annual amount of subscription fees also remains constant. However, the value of the portfolio increases each year and consequently the amount of recurring costs and fees relating to the funds increases in the same way, on the assumption that the percentage of recurring fees relating to the funds remains the same each year.

The percentage of annual subscription fees and the percentage of total annual costs relative to the average value of the portfolio falls every year.

Costs and fees associated with the funds

This paragraph provides an overview of the forecast costs and fees for all combinations of funds available under R-Pension – Flows Formula services.

Calculation assumptions:

Annual investment:	€3,200
Term of the investment:	10 years
Average annual return of the funds:	2016-2020 arithmetic average *

Average annual costs and fees as a percentage of the average value of the portfolio:

Funds	Subscription fees	Fees related to the financial instrument	Commission payments	Total cost	Average annual return (2016-2020 arithmetic average) *
90% LUX-Pension marché monétaire & 10% LUX-Pension 100%	0.07%	0.83%	-	0.90%	-0.16%
80% LUX-Pension marché monétaire & 20% LUX-Pension 100%	0.11%	0.89%	-	1.00%	0.46%
70% LUX-Pension marché monétaire & 30% LUX-Pension 100%	0.16%	0.95%	-	1.11%	1.09%
60% LUX-Pension marché monétaire & 40% LUX-Pension 100%	0.20%	1.01%	-	1.21%	1.71%
50% LUX-Pension marché monétaire & 50% LUX-Pension 100%	0.24%	1.08%	-	1.32%	2.33%
40% LUX-Pension marché monétaire & 60% LUX-Pension 100%	0.27%	1.14%	-	1.41%	2.95%

*Past performance is not indicative of future performance.

This document is provided for illustrative purposes only. Actual costs and fees incurred in relation to a portfolio may vary based on the actual composition of the portfolio. These amounts are communicated annually to all holders of securities portfolios.