

The selected specific OTC transaction was defined by the following parameters:

PAYOFF-TYPE: Purchase of a Forex Call Option (European Exercise-Right)

UNDERLYING: EURCAD

MATURITY: 60 days

STRIKE: 1.5000 (Spot: 1.4968)

The Kids provided by the banks differ in terms of quality. We have classified the KIDs into the following quality categories:

QUALITY CATEGORY 1: A transaction-specific KID is provided.

Reported opportunities and risks: The investor receives precise information with high added value

Reported costs: The investor receives precise information with high added value

Result: Only Commerzbank's KIDs can be classified in this quality category.

QUALITY CATEGORY 2: A generic KID is provided. The generic KID refers to a sample transaction which differs from the actual transaction. The parameters 'PAYOFF-TYPE' and 'UNDERLYING' are identical for the sample transaction and the real transaction. However, 'MATURITY' and 'STRIKE' of the sample transaction have no reference to the real one.

Reported opportunities and risks: are reasonable approximations for the values calculated for the specific transaction.

Reported costs: are in no way related to those of the specific transaction.

Result: Only the KIDs of HSBC are classified in quality category 2.

QUALITY CATEGORY 3: A highly-generic KID is provided. This KID refers to a sample transaction that does not even have the same 'UNDERLYING' as the real transaction.

Opportunities and risks identified: They are not related to those of the specific transaction.

Reported costs: They are not related to those of the specific transaction.

Result: The KIDs of all institutions examined except Commerzbank and HSBC are classified in quality category 3.