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**Adoption of the KID for
packaged retail and insurance-based
investment products (PRIIPs)**

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Abstract

The topic concerns the recent transposition in Italy of European Directive No. 1286/2014 regarding the introduction of a standardized key information document (KID) for packaging retail and insurance-based investment products (PRIIPs). Through an analysis of laws on the subject and of other specific products issued by the most important banks and insurance companies, this paper will elaborate on the definition, the sector and how this new regulation has been applied.

The thesis is divided into chapters. The first chapter is on the general application of the PRIIPs regulation, from a theoretical point of view. The second focuses on an analysis of the key information document, considering what the common elements to follow are based on EU standards, but it also considers certain taxes imposed by Italian law. The third chapter focuses on an analysis of investment insurance products issued by three important Italian banks. By creating a database regarding the main features of each product currently on the market, some observations will be made from a theoretical point of view - the various ways used by each bank to present the product while maintaining the taxes provided for by law. Finally, the fourth and final chapter deals with the most important Q&As submitted by all the parties involved, leaving an open question concerning what the main benefits and disadvantages will be once the new regulation has gone into effect.

Introduction

This thesis discusses the topic of the recent transposition in Italy of the EU regulation No. 1286/2014 about the adoption, in the pre-contractual stage, of a standardized key information document (KID) for packaging retail and insurance-based investment products (PRIIPs).

Considering the complexity of the directive and the wide range of products involved, attention is particularly focused on two main aspects: the explanation, in detail, of the legislative text regarding both PRIIPs and KIDs and the comparison of several based on the related information document. The entry into force of the regulation was, in general, a suffered phenomenon but necessary at the European as well as at the national levels. Through the implementation of a standardized document for numerous categories of products, legislators want to create homogeneity within the market. Having the same rules to follow in drafting all the pre-contractual documentation necessary, allows an investor to better understand and compare various products in order to make the best choice possible. Furthermore, through the disclosure of clear and non-misleading information based on the principle of transparency, legislators want to reacquire the trust of investors, after the financial crisis. In conclusion, can be the KID be an innovative tool for both parties involved? The analysis of different KIDs will try to give an answer to this question.

The first chapter focuses on an analysis of the PRIIPs regulation. After a brief general introduction, the major events that influenced the entry into force of this regulation are described. As already mentioned, this was a long, suffered procedure. A lot of changes and revisions took place, in particular during the issuance of the regulatory technical standards required by the same regulation. Especially for this reason, several postponements were necessary, and the regulation went into effect in Italy only a year ago. Particular attention is dedicated to the content of the regulation in question through a detailed analysis of the main elements that compose it. Finally, a connection between recent markets in financial instrument regulation and some adjustments within the Italian legal system occurred.

The second chapter deals with the key information document where all elements are reviewed. Starting with some aspects regarding the content and a connection with the regulatory technical standards as guidelines for the KID implementation, a theoretical explanation of all elements that are part of the document's template will follow. Considering the suggestion given by the regulation in electing a national authority for controlling the compliance of the key information document, a brief explanation of the process will be dedicated to it.

The next two chapters are the core part of the thesis. There are numerous are the packaging retail and insurance-based investment products subject to the KID implementation. In order to unit both insurance and investment in the same product, it has been decided to focus on life-insurance investments distributed by banking groups. Chapter Three, after an introduction on banks as insurance distribution channels and on the three banking groups chosen for a comparison of similar products, it makes a list of life-insurance products actually in placement based on the Italian branch classification. Through these representations, it is possible to observe how, despite the fact that the document is standard and imposed by law, each business adopts different ways to describe it.

Finally, in the fourth chapter, the results deriving from an analysis of more than a hundred KIDs through graphs and table (attached in the Appendix) are shown. Starting from the study on investment distribution based on the risk level, a second analysis on the potential performance depending on a specific level of risk is done. In order to understand how much each category of costs influences the investment and considering the classification imposed by the regulation as well, another important third focus is on the incidence of total costs. In the end, proceeding with a specific comparison on performance and death scenarios as well as of total costs among different products having some common characteristics, the analysis wants to demonstrate whether the KID can be considered a useful tool in helping a customer to make the best investment choice. In general, thanks to the results obtained, can the information documents in question be considered a standardized instrument or do any differences in its implementation appears? Regarding the way information is disclosed, can that help investors to make a comparison? How much is the data reliable?

Considering all the information reported, what is the message that the KID wants to transmit to the investor? Given its recent adoption, several doubts have already emerged, and different interpretations have occurred especially in reference to the content and implementation of the document in question. For this reason, the benefits of this new tool remain still remain unclear.

Chapter one

The PRIIPs regulation

1.1 Introduction to the PRIIPs Regulation

It was the end of 2014 when the European Parliament and Council approved the EU regulation No. 1286/2014 on the key information document (KID) for packaged retail and insurance-based investment products (PRIIPs). Just three years later, a supplement, the Commission Delegated Regulation of the Regulatory Technical Standards (RTS), was issued. However, its adoption in Italy through a legislative decree is rather recent – for the majority of financial products, it dated back to January 2018. In general terms, the introduction of the PRIIPs regulation can be considered a suffered phenomenon. There are two main reasons for this: the complexity of implementation at a national level and the long time it required, considering the number of changes and postponements carried out. Nevertheless, it was necessary to establish uniform rules on transparency in order to protect retail investors and re-establish their confidence towards financial markets, especially after the financial crisis. Regarding the market environment, this adoption also represents an important step in competition. Thanks to the creation of homogeneity, it offers the possibility to compare the same products and services issued by different manufacturers, intermediaries and consultants, at both European and national levels. Indeed, this document arises from the need to reinforce the protection of all the participants in the PRIIPs market and to supply them with the same, appropriate information in order to facilitate their understanding of product details.

1.2 Timeline

The adoption of the regulation in question took very long and was quite complicated. Once the European Union had approved it and legal effects were reviewed, a problem arose when it came for each member country to implement it. There were already laws in effect and, there was the risk to counter or overlap with them.

As shown in Figure 1.1, three main moments marked the entry into effect at the European and national levels, one of which can be considered a sort of «conclusive point» of the process at issuance.

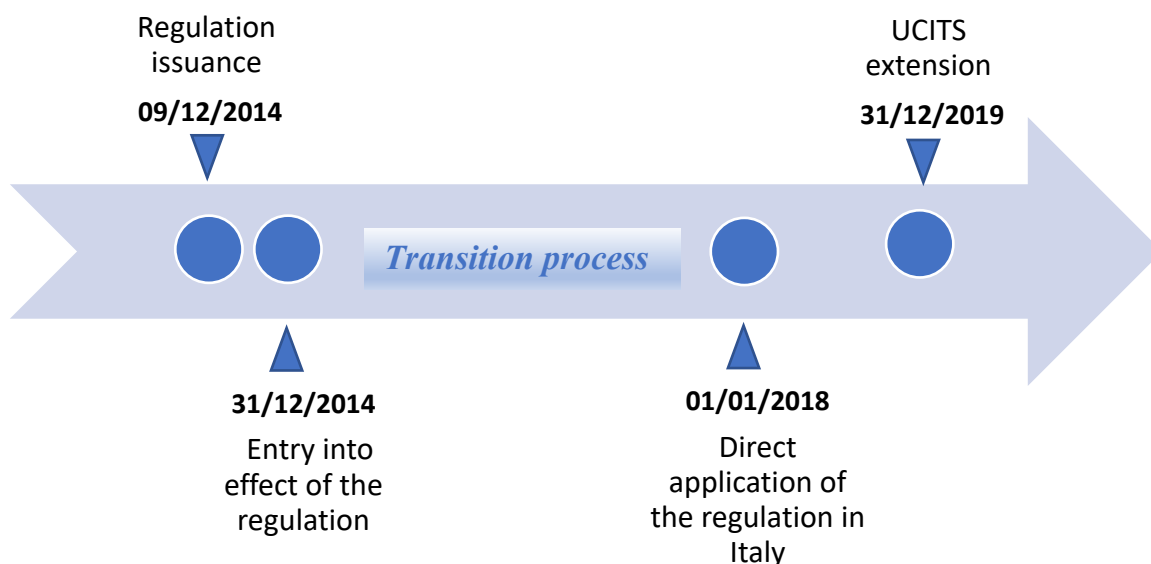


Figure 1. *Timeline.*¹

Take into account this timing; we can take a step back to the origin of the situation. It was on 26 November 2014 when the European Parliament and Council set down the form and content of the KID for PRIIPs as «*a document the manufacturers are required to create and distribute to retail investors to help them in understanding the economic nature and risk of a product.*»² Then at the beginning of December, the document was published in the *European Official Journal* and, at the end of the same month, it went into effect at the European level. But that was not enough because if, on the one hand, this new regulation affected all the member states, on the other hand, it had to be adopted also at a national level in each individual country through the approval of a specific legislative document.

The transition process shown in Figure 1 refers in particular to 2016. This was

¹ PriceWaterhouseCooper, *Timeline in "PRIIPs Regulation and the new KID"*, 2017, <https://www.pwc.com/it/.../priips-regulation-and-the-new-kid.pdf>

² Michele BONOLLO, [slides], *Timeline normativo-una storia sofferta in "Prospetti per prodotti finanziari retail e nuova normativa. I KIDs for PRIIPs"*, Ca' Foscari Challenge School, June 2017, <https://www.unive.it/challengeschool>

a heavy year at the European level because the RTS³ official text for drafting the KID was first disclosed. Subsequently, several interventions were required on the presentation, content, review and provision of the key information document that was drawn up. It was only at the beginning of 2018 that the European Parliament and Council published the final edition of the Commission Delegated Regulation while also putting in writing the RTS supplements of the European regulation on KID for PRIIPs.⁴ This is why it was necessary to postpone its entry into effect in Italy until January 2018 through approval of an appropriate legislative decree.

Regarding Italy, a legislative decree⁵ as an adjustment of the national normative to the European Regulation was published in the *Italian Official Journal* at the end of November 2016. It forecast some changes in the Consolidated Law of Finance⁶ regarding the integration of the PRIIPs and the authorities who monitor and are responsible for them. Finally, on 1 January 2018, the PRIIPs KID regulation went into effect in Italy with only one exception regarding the emission of the key information document for all products already available on the market before this date; a postponement of their KID was permitted until March 2018.

By 31 December 2018, the European Commission had proceeded with a review of the PRIIPs regulation based on the practical application of the standards it defines. The conclusion of this prolonged course, unless other changes arise, will come at the end of December 2019, when the implementation of the UCITS⁷ extension is forecast, which, at the moment, it is still exempt.

³ It is the acronym of Regulatory Technical Standards, namely the specific requirements to ensure strong customer authentication and other security measures needed financial transactions.

⁴ Regulation (EU) No.1286/2014 of the European Parliament and of the Council on Key Information Document for Packaged Retail and Insurance-based Investment Products.

⁵ Legislative Decree No.224, 14 November 2016 known as “Adeguamento della normativa nazionale alle disposizioni del regolamento (UE) n.1286/2014, relativo ai documenti contenenti le informazioni chiave per i prodotti di investimento al dettaglio e assicurativi preassemblati”.

⁶ It stands for Testo Unico della Finanza (TUF) that is the Italian Legislative Degree No. 58, 24 February 1998.

⁷ UCITS stands for Undertakings for Collective Investments in Transferable Securities; it refers to the directive No. 85/611/CEE that establishes the time limit for the placement in the member states of the Union with domicile funds in one of these.

1.3 Content

The PRIIPs directive is the first European law requiring pre-contractual documentation. Fundamentally, it defines mandatory rules for the form and content of the information document with the aim of allowing retail investors to easily understand and compare products. This means that manufacturers must provide buyers with accurate, clear and non-misleading information about the range of products available on the market. In order to do that, all the data regarding objectives, risks, rewards, associated costs and different performance scenarios should be disclosed briefly and uniformly. But this is not all; there are other several aspects to be considered. A detailed analysis of the document shows a brief introduction on the adoption process and then the legislative text. A recap of the content can be done through a small analysis of the six subparts with their sections and articles of the regulation.

The first section gives an explanation of the topic, its scope and definitions. This is the introductory part and, in a certain sense, is the most important because it illustrates the key points of the legislative text. Here the content and the field of application are particularly defined, also taking into account some cases in which other directives complement this one. An exhaustive explanation about just what a PRIIP is and what entities are involved closes this initial part.

The middle part introduces the key information document. As we know it, the KID represents the cornerstone for the implementation of this new regulation and therefore an entire chapter is dedicated to it. Recapping, the first section regards the drawing up and disclosure, the second one concerns all the information about the form and the content this document must follow, and a final third part deals with delivery rules. The purpose of the directive is a fundamental tool for the manufacturers and sellers of packaged retail and insurance-based investment products because it includes information on all the features, language and structure needed to create a KID. The last part of this section summarises the provision rules required.

Finally, the third section describes the monitoring of the market and the power of product interventions. This last segment can be viewed from a broader perspective because it involves European entities that, through market monitoring, have the power to intervene on the products. As a rule, final provisions complete the document.

As is possible to deduct from the explanation, this law aims to create uniform national regulations for EU members particularly in the field of transparency, comprehension and trust. It means that when the KID goes into effect, it will have a standard format, content and disclosure rules drawn up by the PRIIPs creators and oriented to retail investors.

1.3.1 Definition of PRIIPs

PRIIPs is the acronym for *packaged retail investment and insurance-based investments products*. In general terms, PRIIPs are products whose value is subject to market fluctuations caused by exposure to certain reference variables or to a specific return of one or more underlying assets. They are characterized by an assembly process aimed at creating products with specific and different exposures, features and cost structures compared to a direct holding.

As provided by the EU regulation: «*packaged retail and insurance-based investment product*» or «*PRIIPs*» means a product that is one or both of the following:

- a. a PRIP;
- b. an insurance-based investment.⁸

As one can see, the definition is quite complex. In order to understand it, it is important to know what this text, linked to other European directives, defines as PRIP and insurance-based investment products. Therefore, for the purpose of this regulation:

«packaged retail investment product» or «PRIP» means an investment including instruments issued by special purpose vehicles [...] or securitisation special purpose entities [...] where, regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to performance of one or more assets which are not directly purchased by the retail investor»;

«insurance-based investment product means an insurance product which offers a maturity or surrender value and where

⁸ Art. 4, subsection 3 of the regulation (EU) No.1286/2014.

*that maturity or surrender value is wholly or partially exposed, directly or indirectly, to market fluctuations».*⁹

Without clear parameters for the concept of «exposure to detailed benchmarks», the interpretation of the PRIIPs definition remains broad, which makes it difficult to determine whether a product will be part of the category or not. Following a legislative analysis, the logical outcome is simply based on the fact that «NON PRIIPs» are all the products that do not come under the definition of PRIIPs. Specific analyses on these definitions done by important consultants and other institutions working in this field allow for the creation of a sort of useful list of what can get back under the definition of PRIIPs and what must be considered a NON PRIIP.

According to the definition of the regulation in question and considering the different products issued by several manufacturers and intermediaries, in one of the first informative documents adopted by a renowned professional company,¹⁰ the following are considered PRIIPs:

- mutual funds
- insurance-based investment products
- structured products and deposits
- convertible bonds
- derivatives
- products issued by SPV.

A more general explanation is given by a group of local Italian banks. In reporting their definition, they affirmed that all the obligations with floor/cap options, those index linked and all the obligations predicting call/put options must be taken into consideration. Finally, they consider PRIIPs bonds PRIIP bonds with floating rate, and independently their coupon structure¹¹ as well.

As one can see, the regulation in question does not provide for a specific definition nor does it refer to other documents regarding all the products that can

⁹ Art. 4, subsection 1 of the regulation (EU) No.1286/2014.

¹⁰ PWC advisory department, "What are PRIIPs" in *PRIIPs Regulation and the new KID*, 2017, <https://www.pwc.com/publications>

¹¹ Prot. 378/2017 "Recepimento nuova normativa PRIIPs", Cassa Centrale Banca – Credito Cooperativo del Nord Est.

be considered NON PRIIPs. Of course, considering the explanation above, logically speaking, NON PRIIPs are all the products that are not considered to be PRIIPs. A short, helpful list about these different types of investment can be summarized¹² as follows:

- shares
- bonds
- non-structured deposits
- life insurance contracts and indemnity insurance contracts
- non-life insurance contracts
- pension funds.

In practice, an indirect definition of PRIIPs can already be deduced from the first articles of the legal text. Instead of using the definition, it is possible to get an explanation through an analysis of the field of application:

«This Regulation shall not apply to the following products:

- a. non-life insurance products [...];*
- b. life insurance products [...];*
- c. deposits under than structured deposits [...];*
- d. securities [...];*
- e. pension products;*
- f. officially recognised occupational pension schemes [...];*
- g. individual pension products [...].»¹³*

Consequently, all the products in the investment and insurance field that are not part of this clear list can be considered PRIIPs. In general terms, to take into account one definition rather than another, we see that these products are subject to fluctuations. This is due to certain variables or by performance linked with other financial activities. Of course, all the properties and structures may be different from products with a direct hold.

Considering the wide range of products available on the market and the categories they belong to, they can all be summed up through in this helpful diagram:

¹² Art. 5 of the regulation (EU) No. 1286/2014

¹³ Michele BONOLLO, [slides], Timeline normativo-una storia sofferta in *“Prospetti per prodotti finanziari retail e nuova normativa. I KIDs for PRIIPs”*, Ca' Foscari Challenge School, June 2017, <https://www.unive.it/challengeschool>

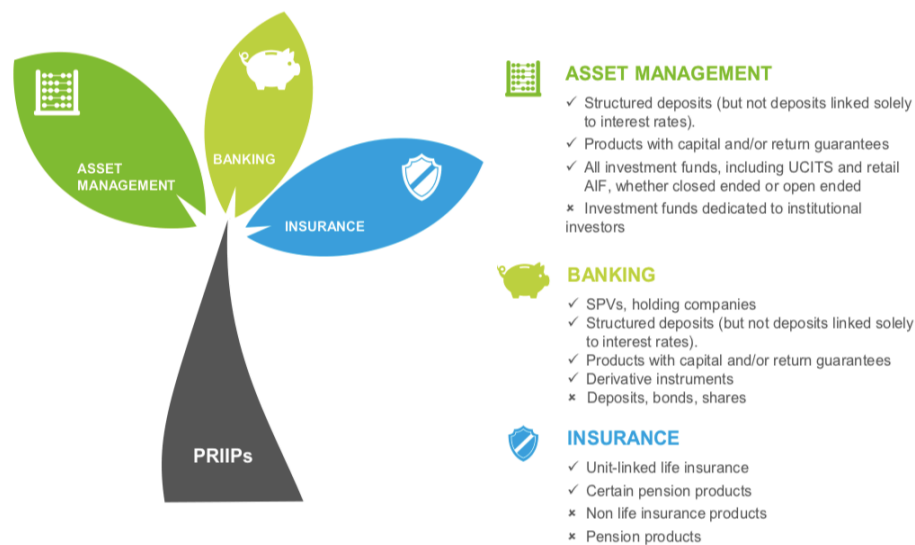


Figure 2: PRIIPs summary¹⁴

The European Commission informally confirmed that the notion of PRIIP is quite broad considering also the several industrial sectors it simultaneously covers. Here the term «investment» must be understood as an obligation deriving from the purchase of a product. Unfortunately, not only is there no detailed list of the products to take into account but, there is no answer to all the questions issued also by ABI¹⁵, at a national level, about some uncertainties in this field.

In conclusion, there are several ways to find the definition of the different types of retail products on the market. This means that, given the complexity of the subject and the different interpretations of the normative, undoubtedly some misunderstanding could emerge.

1.3.2 Figures involved and main assignments

Another important step of the analysis should be dedicated to people involved with this regulation. It is important to find the answer to one of the five «Ws» - in this case our «who?». We have seen that particular sections and/or articles are not dedicated to this aspect. When drawing up the text of the decree, legislators decided to describe the parts in the article concerning the definitions. Consider

¹⁴ Sylvain Crépin, Hugué François Kim, Deloitte, “PRIIPs, almost there”, April 2016, https://www2.deloitte.com/.../IE_2016_LinkLearn_PRIIPs/pdf

¹⁵ ABI is the Italian acronym of Associazione Bancaria Italiana and it represents the trade associations of the Italian banks.

too the process of creating these products; there are three figures: the creator, the intermediary and the customer. By law, they are defined as manufacturer, distributor and retail investor, respectively.

Manufacturers are the inventors of the product; they can be the person that creates a PRIIP or whoever adjusts products already available on the market. Not only do these players have to structure the key information document or modify an existing one, but they also have to send it to the supervisory authority and publish it on the web. Lastly, they are appointed to review a KID whenever necessary. Some examples are issuing banks, life insurance companies and asset management companies.

The second figure is the distributor. The law defines them as «*a person offering or concluding a PRIIP contract with a retail investor.*»¹⁶ They are the ones to deliver the KID in good time and, more broadly, they are the ones who have to give all the information regarding the characteristics of the product; in particular, they must impart trust and help potential investors in concluding an agreement. Credit institutions and investment firms represent the two major players in advising on or selling PRIIPs. Considering these two categories, their roles and positions, we can explore a more detailed list of persons or entities involved. It means that, in practice, this regulation is also relevant for fund managers, stockbrokers, financial consultants and agents, firms in the PRIIP supply chain platforms and more.

Last but not least is the investors category. In particular, here we refer to retail investors and to all clients that cannot qualify as a professional client. It means that in this group we have all the private and, at the same time, retail clients interested in concluding an investment, known as potential investors.

Finally, as it is possible to comprehend, the entry into effect of this regulation does not require new subjects. It has only described who the three main figures are and, in the second part of the text, what their behaviour should be in terms of requirements and responsibilities. According to one of the most famous consulting firms, from now on, the new challenges for the players will be:

- the production of a key information document for each PRIIP;
- an auditor of the document focused on compliance with market conditions;

¹⁶ Art.4, subsection 5 of the regulation (EU) No. 1286/2014.

- a new allocation of organized structures for the KID's review and update;
- the KID's availability on the web;
- the development of higher competencies regarding risk assessment and risk management;
- a specific presentation of a scenario inclusive of all the data on the costs structure and achievable results;
- a KID' consistent with the MiFID II¹⁷ directive.

Obviously, just a few months after the regulation went into effect, the points indicated here should be considered only as part of a 'trial period' because, first of all, every time something must be adapted to certain standards, the result is that it is difficult to implement and requires a lot of time. Then, considering the broad scope of application and the parts engaged, some challenges still remain a question in terms of adjustments.

1.3.3 Pre-contractual disclosure and associated standards

In order to rebuild trust and have balanced competition, standardised rules have been required at the European level. In doing so, it was essential not only to improve information on PRIIPs in the contractual stage, but also to regulate sales procedures effectively in the pre-contractual phase. That is why the new regulation requires a specific KID for each product submitted.

KID stands for key information document, and can be defined as a summary document that contains all the information needed to conclude the agreement between the contracting parties involved. It shall be separated from any commercial documentation and its content shall follow certain norms. Moreover, this document shall accompany the material already provided for in other laws and not replace them. To ensure disclosure, it shall be advertised on the web or delivered on paper for free in accordance with the timing described. Even the content is fundamental for its comprehension: it must be divided into sections, each one structured through questions with their relative answers. One criterion to be taken into consideration when writing out the KID is the language to adopt

¹⁷ MIFID is the acronym of the new: Markets in Financial Instruments Directive. Its aim consists in the creation of a level playing field between financial intermediaries within the European Union. This new regulation is linked with the PRIIPs one - there are some common elements in particular on the application, information issued and risk management.

and the explanatory statements, which are imposed as standards. Everything is balanced to maximize comprehension; and the information is used by potential investors to compare and gather information about similar or equal products issued by different intermediaries, sometimes even in different countries.

A person may have doubts when reading the KID when there are several PRIIP investment options to choose from. Should manufacturers produce only one generalized KID with detailed attachments for each underlying investment option? Both alternatives may generate a sort of disorientation in the investors because they have to face to a number of documents.

An answer is offered by the regulatory technical standards that allow one to use the OICVM KIID¹⁸ to issue all the information needed about these multi-option products known as MOPs.

In any case, whatever will be the type of KID issued, it «*shall provide at least a generic description of the underlying investment options and state where and how more detailed pre-contractual information relating to the investment products backing the underlying investment options can be found*»¹⁹. This statement can be considered crucial because it offers a great opportunity for the potential investor to receive, know, and compare all the information needed for his/her future investment. At the same time, it shows that transparency is guaranteed in order to reassure and re-establish trust between the subjects involved. Another important point is the level of detail used in the information document. As already mentioned, the European regulation imposes certain standards that can be modified only in part depending on the type of product proposed. Considering the importance of this document in question, the second chapter will be entirely dedicated to it.

Taking a step back to the legislative process, we saw that the regulation, in terms of applying the standards, refers to regulatory technical standards. That is because, as happens for other very complex European legal acts, it has been decided that the European Commission will be delegated to issue these RTS. In a nutshell, these latter are technical norms with the purpose of guaranteeing the

¹⁸ The Italian acronym stands for “Organismi di Investimento Collettivo in Valori Mobiliari”. According to European law they are defined as UCITS (Undertakings for Collective Investment in Transferable Securities) and, substantially, they represent a form of investment regulated by the Government. In this case, information is given in by the KIID (i.e. Key Investor Information Document) having the same scope as the KIID.

¹⁹ Art. 6, subsection 3 of the Regulation (EU) No.1286/2014.

law and specifying the content of the KID. In doing so, the commission was assisted by some European supervisory authorities that had the task to examine both the actors involved and the different PRIIPs placed on the market. Given the several authorities and their important role and responsibilities, an accurate description will be the object of the next subparagraph.

1.3.4. Relevant authorities

As pointed out above, in order to develop drafts of the regulatory technical standards in accordance with other EU regulations, several competent authorities were commissioned. To carry out the task, they had to take into account what types of PRIIPs were available and what their major features were. At the same time, these experts had to know the capabilities of the retail investors for the purpose of facilitating them in choosing between different underlying investments or other options provided for by the product. Of course, these activities required specific expertise, processes to follow and responsibilities. So, to perform all the tasks in the best way possible, the assignment was given to the European supervisory authorities²⁰ consisting of three separate authorities: the European Banking Authority (EBA), the European Securities and Markets Authority (ESMA) and the European Insurance and Occupational Pensions Authority (EIOPA). Finally, in order to ensure thoroughness, consistency and enforceability of the regulation, the contribution of the Joint Committee was also required. It is responsible for submitting the draft of the regulatory technical standards to the European Commission for final approval.

Once the approval process of the regulation was completed and considering its field of application, the EIOPA remained the only authority confirmed by the regulation to monitor the market and the powers of product intervention within the European Union. Vice versa, considering only the national level, the EU regulation requires that each country must designate a competent authority and assign to it the major functions of the European authorities. Of course, this latter «shall perform a facilitation and coordination role»²¹. That means that it has the power

²⁰ European Supervisory Authorities, known as the acronym of ESAs, from 2010, it includes three of the four Authorities that are part of the European System of Financial Supervision.

²¹ Art. 18 of the regulation (EU) No. 1286/2014.

to control that the measures adopted within each country are justified and coherent in relation to the Union counterpart.

Generally, as part of their monitoring activities, the EIOPA has the power to prohibit or restrict the marketing, distribution or sale of certain insurance-based investment products within the Union. At the same time, it can do that for certain types of financial activities or insurance practices. None of these tasks are random but they are procedures to follow regarding the adoption of a decision, its analysis and its final release and are described in greater detail in the text of the regulation.

1.3.5 Management of complaints and penalties

As already mentioned, one of the most important goals of this regulation is to protect the retail investor through different ways. Protection can be viewed as the possibility that the investor has to lodge a complaint against PRIIP manufacturers and his right to receive a decisive answer. In this case, it is imperative that the various national authorities collaborate with each other, but also at European level whenever different countries are involved.

In most cases, a complaint is followed by administrative penalties or other measures on the basis of the seriousness of the situation and the current laws in force. Each country must establish rules for administrative sanctions, without imposing criminal penalties. In deciding this, each country should consider these different types of punitive measures to adopt, which *«shall be effective, proportionate and dissuasive»*.²² For good results, it is important that all the responsible authorities work together in order to avoid possible overlap or duplication particularly when they refer to cross-border cases. At any rate, the regulation dictates some general rules on the different ways available to apply, communicate and submit possible sanctions, also with the involvement of other European authorities too. Clearly, possible appeal proceedings on potential breaches can be undertaken.

²² Art.22, subsection 1 of the regulation (EU) No. 1286/2014.

1.4 The connection with the MiFID II

The PRIIPs regulation can be viewed as a set of legislative measures adopted by the European Union. Examples are the MiFID II and the IDD designed to regain the trust of savers in financial markets through the introduction of norms aimed to improve and increase informative transparency.

In particular, the recent introduction of the MiFID II demonstrates that there are several 'contact points' with the PRIIPs regulation linked to numerous common products. One of these is the field of application: in a general way, all the products defined as PRIIPs can be considered, at the same time, financial instruments that come under the definition given by the MiFID II. Obviously, for both legislative texts, we refer to products that are distributed to retail investors and not at a professional level.

Another important point concerns the customer target. In the section of the KID dedicated to the definition of the product offered, it is necessary to include the description of the client to whom the PRIIPs are addressed particularly in terms of an investor's capability to support a hypothetical loss and the time horizon of the investment under discussion. In the same manner, the MiFID II also establishes customer market identification for each financial instrument so that all relevant risks can be assessed with regard to the target examined. Undoubtedly, there is the need to create a common language to identify all the market segments available to which everyone should align.

A final contact point concerns the complex procedures concerning risk information. If we look at the KID of a PRIIP, an entire section is dedicated to risks. Manufacturers are obliged to provide a brief description of the risk-return profile including the risk class, fluctuation and potential return, the maximal loss and the calculation method of the performance. This also happens with the MiFID II: all investment companies are obliged to give complete information on the financial instruments and investment strategies proposed. In doing so, they have to include a detailed description of the associated risks, price volatility and possible market limitations. Moreover, other potential additional requirements applicable to the instruments in question must be indicated. Even though the two regulations do not present common points regarding risk indicators for the same type of product, a standardised language is required, however, in order to achieve the same goals.

Nationally, a detailed explanation about what the most important news for investors are in terms of PRIIPs and MIFID II is given by the ABI²³. Greater clarity, protection and control can be summed up in the following six relevant points:

- *greater protection for investors*. A careful analysis of financial experience, investment goals and knowledge about the product and continuous monitoring on the suitability of each single one can be done through a questionnaire;
- *labelled financial instruments*. Each product submitted should take into account the specific features of each potential client. That way, custom-made products can be offered and checked in time to maintain a certain level of adequacy;
- *experts to serve customers*. There should be independent consultants available to provide all the recommendations and information necessary to understand the various scenario within the financial markets;
- *detailed costs*. Specific computations and estimations on the costs and commissions should be done before and during the investment. Moreover, in the case of packaged products, expenses should be calculated for each single product belonging to the group;
- *comparable document*. In order to compare and understand the wide range of financial instruments, a standard document containing all the key information should be given to the client during the pre-contractual stage;
- *strengthening control*. European supervisory authorities can interrupt the emission of certain products if they are deemed to be a threat for investors, because everyone involved must work with particular care and diligence.

As mentioned above, both the EU and national regulations are very recent. It will take a long time before they are well-known and appropriately applied. Considering that some points are already under discussion, we can imagine that these two new norms still have some open points that will only be resolved in the near future.

²³ ABI is the acronym of the Associazione Bancaria Italiana (Italian Bank Association). It is a non-profit association with the aim to promote knowledge and integrity in terms of social values and behavior based on the right to entrepreneurship.

1.5 The adjustment of the national regulation

Besides having the objective of achieving full harmonization, the PRIIPs regulation transfers some important decisions to all EU member states. Among them, the possibility to elect competent authorities and to give them the power to make sure that their country is in compliance with the guidelines laid out in the regulation. This is feasible thanks to legislative decree No. 224/2016 with which the Italian legislators complied with the content of the PRIIPs regulation.

The Italian legislative decree contains all the rules concerning implementation that were sent to each European country regarding the nomination of the national authorities with relative supervisory, investigative and sanctioning powers. Moreover, other adjustments have been made to the internal systems of how to signal violations of the PRIIPs regulation (the so-called whistleblowing phenomenon) and corresponding penalties. Last but not least, an adaptation of the various ways to report violations to the proper authorities.

Considering that the European regulation originated also with the aim to create a certain level of equality between countries, it has been pointed out that, in any case, a bit of freedom in making some choices is always permitted. On the one hand, this is right because it is not possible for the European authorities to have complete management and control of twenty-eight members but, on the other hand, entrusting certain tasks and responsibilities to different countries may create disparities and other problems as a consequence of inappropriate decisions with the other states. As a matter of fact, a gap has already opened in terms of timing between implementation in Europe and then in each single country. In order to avoid this imbalance, the European government decided that guidelines must be followed and put into effect from the same date of the PRIIPs regulation.

As already mentioned above, the authorities elected to ensure the proper observance of the law are CONSOB,²⁴ as supervisor for manufacturers and consultants, and IVASS²⁵ for all the mediators in the field of insurances,

²⁴ CONSOB stands for “Commissione Nazionale per la Società e la Borsa”. It is the Italian government authority of Italy responsible for the regulation of the Italian securities market, including regulation of the Italian stock exchange.

²⁵ IVASS stands for “Istituto per la vigilanza sulle assicurazioni”. It represents the independent Italian insurance supervisory independent authority responsible for supervising and regulating all insurance business in Italy.

respectively. But, simultaneously, the responsibility concerning approval of the KID submitted by the PRIIPs creator before the commercialization of the financial products to which the key information document refers²⁶ has been assigned to CONSOB. Ultimately, staying on the topic of monitoring, the legislative decree confers the option set out by the PRIIPs regulation in which all the corporations operating in regulatory markets are required to activate internal whistleblowing activities so that all employees can report breaches, even potential ones, through independent and specific communication channels. In conclusion, a wide range of control mechanisms have been developed at European and national levels. The question regards the comprehension of the effective implementation in terms of observance and potential penalty considering the innovation and the short time allowed.

²⁶ Art. 4-decies of the Italian Testo Unico della Finanza.

Chapter Two

The Key Information Document

2.1 The PRIIPs KID and its aim

As mentioned in Chapter One, when the new European regulation on packaged retail investments and insurance products became the law, it required manufacturers, distributors and consultants to provide a detailed key information document for each product issued to the potential retail investors. Obviously, this is required not only to improve the pre-contractual stage in terms of information, but its aim is to strengthen investor protection and facilitate investment decisions and selection processes.

Furthermore, the regulation does not distinguish between products sold after or without consultation nor through an investor's initiative. In order to achieve the predetermined objectives, whatever kind of investment offered, the potential investor has the right to receive the KID and, moreover, the person negotiating the agreement is obliged to give all the information necessary in due time.

The emission of this new standardised document can be viewed as a significant and radical change in reference to all the forecast steps before the conclusion of a contract. As we know, the pre-contractual report has always been inadequate: lacking information, complicated to understand for non-professional investors and, often, not a true disclosure document as a whole.

Among the many regulatory developments relating to recipients of the products, also linked to the MiFID II, the standardisation of the KID for the same type of PRIIP offered in any European country certainly represents one of the most important steps in its development. Having the same brief document in the same format allows investors to understand, as well as possible, what type of product is most appropriate. Moreover, because it is easier to understand, it is now easier for investor to compare products.

As you will see in the following paragraphs, key information documents are structured in tables for the purpose of replying to investors' most frequently asked questions when making a decision on a financial investment. Undoubtedly, the complete answers to all of these questions are supported by manufacturers and potential intermediaries.

There is no detailed definition of the KID dictated by law. In general terms, it can be defined as a document on investment services established by new European legislation, in relation to the MiFID II. The KID contains various evaluations of risk levels, performance, impacts, costs, scenarios and so on.

At the same time, the European regulation does not explicitly state the purpose of the introduction of this new type of information document. Certainly, we can refer to the general aim as being a document to guarantee pre-contractual disclosure and a useful tool to reach this objective. As specified previously, the key information document is part of the total information an investor must receive before the conclusion of an agreement. This does not mean that it is a promotional document. Containing a wide range of data also linked with the European laws governing investment services, it has the primary aim to convey what the major features, risks, costs and the potential profits and losses are. The explanation of these points is not only to disclose to the retail clientele what type of product they are dealing with but also to help them to compare it with other similar ones available on the national and/or financial European markets.

Requirements in terms of format and content are precisely defined, not only to permit easier comparisons but also to increment the level of information transparency.

The purpose is, obviously, directed to potential non-professional investors. They represent one of the key elements of the regulation. Legislators wanted to focus on them in order to regain their trust in financial markets. This is why manufacturers and intermediaries are obliged to issue all the information needed in various ways.

At this time, the duty and not the discretion of emission can be viewed as a change element: so far, independence to manage the information and a lack of control only favour manufacturers and intermediaries. Consequently, as we know, there was a strong decrease in sales of financial products as well as a great decline on national and European financial markets. This is relevant considering that PRIIPs are at the heart of European retailed financial investments - they cover a wide range of products with a value more or less equal to ten thousand

billion Euros²⁷ in Europe as a whole. Also, given this relevant data, it is clear that a concise document like the KID is absolutely necessary.

2.2 The EU regulation and emission of RTS

Through an analysis of the regulation, it is possible to observe a large part of that to which the key information document for PRIIPs is dedicated. The legal definition of the major standards to apply is fundamental if we want to have the same level of understandable information and the possibility to compare the same products across the European Union. Italy, as a member state, conformed perfectly to the law. A supplementary national procedure has been introduced only for the transmission of the information document to CONSOB for approval on the compliance of the content before its disclosure.

Before proceeding with a detailed study of the norms, an overview on the topic is necessary. In general terms, the key information document is not an advertisement but is additional pre-contractual informative material able to answer all the questions that a client could have, and deals with several decisions to take into account before and during the stipulation of an agreement. A certain standard has been established in order to give non-professional clients the possibility to understand what they are concluding and to make a comparison with other solutions, in the simplest and fastest way possible. This means that in a few pages, the document has to report detailed data concerning all the features and risks that the contracting party could encounter as owner of the specific product they wish to purchase.

In order to ensure the issuance of a default document and after several disagreements at the European level, the commission published a final regulation containing all the regulatory technical standards (RTS) that are guidelines²⁸ to follow and the basis of the KID text. In doing this, some theoretical and practical aspects like those indicated below should not be ignored:

1. *mandatory format*. This is considered one of the most interesting aspects of the new regulation. A unique template, normally attached to other pre-

²⁷ Data published through the article “I KID cosa sono e a che cosa servono”, November 2017, <https://www.borsaitaliana.it/notizie-sotto-la-lente/cosa-sono-i-kid>.

²⁸ Translation from: *PRIIPs: cosa sono e a che cosa servono. I 7 requisiti*. In www.complyconsulting.it/...consulting/.../comply-consulting-informazione-chiave-kid

contractual documents, specifies all the titles used by PRIIP manufacturers during consultation or in the sales agreement;

2. *risk indicators*. In evaluating the level of possible risk, all KIDs must contain a risk indicator on a scale from one to seven. Clearly, motivation about how each class is computed should be clearly explained;
3. *performance scenarios*. A table should indicate the performance of the product in question in one of the three types of scenarios. Only in the case of insurance products, if applicable, there may be a fourth scenario on the reimbursement in the event of death;
4. *costs analysis*. Measures and specific evaluations are imposed by law; this also includes the several cost components in single terms and as a whole, in monetary and percentage values too;
5. *multi-option products*. Two ways are permitted to give all the information about these complex products. One refers to the single option evaluation while, the second considers a general KID and other additional information;
6. *review and republication*. By law, each KID must be republished at least once a year. At the same time, potential reviews ad hoc about the data reported are mandatory every time a relevant change occurs;
7. *timing*. The KID is part of the pre-contractual stage. The manufacturer's choice regarding the delivering of the report can change according to the type of products and the type of potential investor. Obviously, the time should be calculated in order to allow investors to become familiar with the KID.

Given these points, some considerations are necessary. Having an equal format undoubtedly means a certain level of clarity and certainty for KID creators. However, it is still not clear if the requirement on the limited content of the document will be as favourable or constrictive over time. This could happen because it may be difficult to fill out the table with all the information necessary within the structure previously defined, particularly because it may refer to the same product but addresses retail investors with different levels of experience and knowledge.

The RTS represent only a guideline that is a recap while also being a specific explanation of the European regulation under consideration: namely, they will

be a useful support particularly during the initial period of the implementation. For manufacturers, these technical standards are easy to assimilate thanks also to the several practical annexes in the attachments at the end of the RTS regulation. Of course, the complete content of the PRIIPs directive remains the pillar of the KID's creation for both manufacturers and intermediaries.

On one hand it is important to follow the structure but, on the other hand, a certain subjectivity is permitted as long as it remains within the general rules. Considering the recent issue, some doubts have already risen; nowadays all manufacturers are in a position that, in a certain sense, can be considered an examination or, even better, field testing. Also for this reason, some matters remain, even today, an open point.

As we can see, the law is well defined but, given different circumstances, some doubts can obviously emerge. This is why further analyses and studies carried out by professionals who work every day also with the practical aspect of the topic, can help to improve and solve a lot of uncertainties and problems.

2.2.1 The legislative content of the pillar regulation

It has been said before that a large part of the regulation, or better an entire chapter, is dedicated to the KID. Considering the level of detail used and the extent of the topic, legislators decided to divide the content into sections to make it easier to understand.

Starting our analysis from the basic rules for reducing the document, we can see that, implicitly, we are working only within the pre-contractual stage of a PRIIPs sale. This is important to keep in mind here because we are in a phase in which the product is only offered: there is no agreement between the parties yet. So, any violations will refer only to this step and not to the contract as a whole; certainly, we are in a circumstance that can be viewed as one of the most important key factors because it allows sellers to draw the attention of the parties, in particular potential investors, who must decide whether to conclude the investment or not. Therefore, especially for manufacturers, it is important to carry out this stage the best way as possible.

In this first part of the regulation text, not only is there an explanation of how the document has been shortened, but also, there is already a brief mention of the publication of the KID on the website of each issuing manufacturer. Specific rules

on the several ways available to disclose the informative will be examined later. Talking about the web, we find that the regulation is so recent and already oriented to the new generation rather than to potential clients accustomed to printed information. On one hand this may be considered an advantage because it permits users to have all the information at any time and directly at home but, on the other hand, if we refer to the Italian reality for example, most of people who wish to invest do not have the skills or will to obtain all the information they need on their own.

Remaining on the beginning part of the KID text, we find a non-mandatory part in which:

« any member state may require the ex-ante notification of the key information document by the PRIIP manufacturer or the person selling a PRIIP to the competent authority for PRIIPs marketed in a member state »

This means that each member state is given the power to decide whether the KID has to be approved by a competent national authority, already appointed, before its definitive issuance. This step is voluntary but strongly recommended because it represents an additional check set up by competent experts to approve or adjust the content. Italy constitutes one of the European members that has required notification on the regularity of the KID content. The supervisory authority experts who do this is CONSOB; it examines and, if in compliance, approves the text in order to be uploaded, first of all, on the website and used by professionals during any PRIIPs proposal. Here, the involvement of this authority refers only to the accuracy of the information before its publication; then further controls on the implementation also by other Italian and European supervisory associations are required.

Now we will proceed with a detailed analysis of the information document, clearly taking into consideration the PRIIPs regulation together with the regulatory technical standards.

2.2.2 Form and content

As we have already said, when we talk about the key information document, we refer to all the information required and needed before the final stipulation of the investment contract. The information or full disclosure «*shall be accurate, fair, clear and non-misleading*»²⁹. With just four specific adjectives, legislators want to explain how the document should be in order to be true and understandable for all non-professional potential investors. Furthermore, as required by the same regulation, all the data in the document must be coherent with every other bonding document as well as with the defined terms and conditions of every PRIIP under consideration. This represents another point in which the law wants to point out to manufacturers the importance of compliance to attract new investors and, especially, to gain a certain level of trust from them.

Before introducing all the features required by law for the issuance of the KID, it is important to know that not only is the document used before the contracting stage but it shall also be an independent document, well separated from any commercial material and, at the same time, it shall not contain any references to it. Legislators and professionals both want to clarify that this does not mean that any other references are not admitted: all of them are accepted as long as they do not belong to the commercial field. Obviously, all relative material must conform to the criteria of possible exceptions or postponements described in the KID regulation.

With the aim of ensuring certain standards and facilitating comparisons, the document shall be short and concise in its entirety. These are two criteria that, in a certain sense, can be viewed as subjective because the definition of «*short and concise*» given by one manufacturer will certainly be different from the interpretation of another. So in order to avoid this discrepancy, the legislative text imposes a maximum limit corresponding to three sides of A4-sized sheet of paper. Other specific requirements are not indicated, but other general features, for example those regarding choices on the character and style suggested, are well expressed. Here too, various ways of interpreting the law can emerge; despite the presence of subjectivity, it would be desirable for manufacturers to

²⁹ Art. 6, subsection 1 of the regulation (EU) No. 1286/2014.

follow all the points indicated with common sense in order to achieve the most important objectives laid down by law.

Continuing with the form of the document, another important aspect to resolve concerns the choice of language to apply. It is true that we are within the European context where English is mandatory for issuing any kind of legal document. But if that practice were followed, it would go against one of the fundamental aims of the regulation: the comprehension of the text. Publishing key information only in an English version would not allow everyone to understand the content – absolutely so for those who do not know or speak English. That is why legislators have declared that the document shall be written in the official language or languages spoken in a member state where the product is distributed. If the document has been reproduced in another language, a translation is permitted as long as it expresses the original content faithfully and accurately. Lastly, in order to maintain a standard and also a certain coherence, the same languages must be used when KIDs are attached to other documents.

Another important aspect relates to the text of the document; here too, we have to keep in mind the major principles of the regulation. What is the best way to guarantee these? An accurate choice was made by legislators concerning the type of structure to follow. They decided to divide the content into eight sections, each one responding to a very short but crucial question. Looking closer at the legislative text, in addition to the question, there are some guidelines to use to get a complete and satisfying answer. The layout is not random but follows a logical order to offer the greatest clearness possible. Later, a detailed analysis on the sections will be reviewed, from a practical point of view. At the moment, regarding the structure in general terms, we see that the sections required by law are seven, corresponding to seven questions. Firstly, the type of the product is discussed, then the text deals with issues concerning potential risks and returns, potential default cases, costs, timing, complaints and other information. Again, the number of the sections often varies; at this time, by law, there should be eight sections after an introductory part. But, in a certain sense, this could be the object of discussion because numerous manufacturers feel that the number of sections should be between seven and nine³⁰. This because the first part regarding all the

³⁰ Walter Demaria, in *“PRIIPs e KID rendimento fondi wiki”*, <https://rendimentofondi.it/home/wiki/priipsekidrendimentofondi>, giugno 2018.

initial information like the title, the explanatory notes and details on the product in question are considered an introductory description and not a section. For other professionals³¹, there are nine sections because they consider the introduction as two separate sections. Clearly, these are only different ways to define the structure but nothing particularly relevant that could create some misleading understanding of the content. According to some interpretations of the Italian legislation³², we will examine the analysis considering only a first part relating to a presentation section and then another seven, each one corresponding to a specific question. A recap is expressed in the table below:

<i>Sections</i>	<i>Questions</i>	<i>Suggested answers</i>
<i>Introduction Section</i>	Title: Key information document and an explanatory statement. About the PRIIP: name, identity, contact details, authority information, date. A comprehension alert, where applicable.	
<i>Section II</i>	<i>What is this product?</i>	The nature and main features: <ul style="list-style-type: none"> ▪ type of product ▪ objectives ▪ means ▪ retail investor description ▪ further insurance benefits ▪ terms, if known
<i>Section III</i>	<i>What are the risks and what could I get in return?</i>	A brief description of the risk-reward profile, including: <ul style="list-style-type: none"> ▪ a summary risk-indicator ▪ the possible maximum loss ▪ performance scenarios ▪ information on conditions for returns ▪ the impact of the tax legislation

³¹ According, for instance, to UniCredit S.p.A, the sections are nine because they consider the introduction as not a single one but divided in two parts.

³² Commission Delegated Regulation (EU) 2017/653, supplementing the (EU) Regulation No. 1286/2014.

Section IV	<i>What happens if (the name of the PRIIPs manufacturer) is unable to pay out?</i>	A brief description of: <ul style="list-style-type: none"> ▪ coverage of the loss by an investor compensation ▪ a guarantee scheme with all the information about the guarantor and his potential risks to cover
Section V	<i>What are the costs?</i>	The description of the costs associated with the investment, specifying: <ul style="list-style-type: none"> ▪ direct and indirect costs ▪ one-off and recurring costs ▪ total aggregate costs
Section VI	<i>How long should I hold it and can I take money out early?</i>	Some indications about: <ul style="list-style-type: none"> ▪ cooling off or cancellation period, where applicable ▪ the required minimum holding period ▪ the ability and conditions to make disinvestment before maturity ▪ information about the potential consequences of cashing in before the end of the term or recommended holding period
Section VII	<i>How can I complain?</i>	All the information about: <ul style="list-style-type: none"> ▪ how and to whom the retail investor can make a complaint regarding the product or manufacturer or a person advising on or selling the PRIIP
Section VIII	<i>Other relevant information</i>	Further additional information documents to be provided at the pre-contractual and/or post-contractual stages. Any marketing materials are excluded.

Figure 3. Sections explanation³³

³³ The scheme shows a recap of the sections subdivision and related contents imposed by law.

We can see in this general scheme that all the information is well organized. This not only for the benefit of manufacturers and other professionals, but to potential investors as well. If we take into account who the manufacturers are, the advantages are based on features like the elementary structure, higher entirety, compliance, transparency and so on. Vice versa, if we consider the retail clients, manufacturers are able to guarantee comprehension, easy access, disclosure of the information needed and everything that helps one to make the right choice. It is clear that an optimal KID gets a great response from investors; it not only encourages a certain optimism and confidence but it can also induce a recovery on the financial markets in both national and European contexts.

In conclusion, although we are talking about a lower part of products on the market, we may observe that the introduction of this new regulation can successfully contribute to the financial markets as a whole.

2.2.3 Provision

When we talk about provision, we need to keep in mind two figures: the person providing the documentation called the issuer and the person receiving the documentation called the recipient. It is clear that both parties can include other stakeholders but, what is important to consider is that, the transition is direct: other external subjects are not involved. This is important because having the proper contact between subjects means a higher level of transparency, and, above all, information is clearly stated thereby avoiding any errors and, in certain case, of being misleading. In this process of communication, an exception is allowed: the participation of a third person to whom the responsibility to make investment decisions on behalf of the retail investor is entrusted. Given the significant level of responsibility attributed and in order to guarantee a certain trust between the parties, this is possible only through a written mandate delivered by the investor and accepted by the delegate.

Considering the part of the law dedicated to this, there is a clear description of both parties. Taking into account the issuer of the document, the regulation states:

«a person advising on, or selling, a PRIIP shall provide retail investors with the key information document in good time before

those retail investors are bound by any contract or offer relating to that PRIIP»³⁴

On the other hand, if we want to recover the position of the potential investor, or the case he/she is represented by another person, the regulation affirms that:

«a person advising on, or selling, a PRIIP may satisfy the requirement of paragraph 1 by providing the key information document to a person with written authority to make investment decisions on behalf of the retail investor in respect of transactions concluded under the written authority»³⁵

Analysing the first definition, what is not well defined in detail is the phrase «good time». The regulation does not prescribe a specific number of days in which the KID should be given. It means that the timeline of delivery is not the same for all professionals involved but depends on their individual discretion. There is a reference to «good time» in the introduction section of the regulation. There, legislators affirm that all information needed should be provided *in time*, so prior to conclusion of any contractual operation. In other words, the issuer has to consider enough time to give the recipient, or his/her representative, the possibility to take a well-informed decision on the investment. And this may happen independently from the place or manner in which the operation occurs. In accordance with some professionals, the timing may be calculated by taking into account the complexity of the PRIIP offered and the investor's knowledge and experience about investments. Therefore, when the product is simple or the investor is familiar with it, the period could be very short, potentially even the same day. Although the expectation is likely to be that in most cases that the KID should be given at least a day or two before the contract is signed³⁶. Vice versa, if the product has a certain sophistication, more than two days are required. But, it is important to remember a certain urgency to conclude the agreement as soon

³⁴ Introduction part of the regulation (EU) No. 1286/2014, point no.26.

³⁵ Ibid.

³⁶ Morrison&Foerster LLP, *Frequently asked questions about the PRIIPs regulation*, <https://media2.mofo.com/documents/faq-priips.regulation.pdf>.

as possible because the investor could change his mind or some favourable variables could rapidly change.

So, we can conclude that the provision is subjective. It depends on the ability of the advisor or seller to understand the time necessary so that the retailer can have all the information about the operation in progress. Obviously, there is focus on how the information is given so that it will allow the potential investor to be fully informed to make the best choice and reject others offers from competitors.

Provision before the conclusion of the agreement is a normal practice. But some exceptions are permitted by law: notwithstanding the regulation analysed above, there are particular situations in which the key information document should be provided after the conclusion of the contract, without unfair delay. This is permissible only when³⁷:

- the retail investor decides to directly contact the person selling a PRIIP and conclude the transaction through a means of distance communication;
- the provision, in compliance with the law, is not possible;
- the person advising on or selling the PRIIP has informed the retail investor that provision of the key information document is not possible and has clearly stated that the retail investor may delay the transaction until he/she has received and read the key information document;
- the retail investor consents to receiving the key information document without undue delay after conclusion of the transaction, rather than delaying the transaction and receiving the document in advance.

These situations rarely occur. In any case, permit the retailer to be aware of a situation when transmission of the document may not happen. In fact, the retailer can opt to conclude the transaction or not; it means, that in this case, he/she is responsible for his/her choice and, later, he/she cannot contest the advisor or seller behavior for lack of information or conclusion of the agreement without the relevant information. It should be clear that, whatever one's choice on the best way to act, the key information document is free to clients; no cost can be attribute before or after the conclusion of the agreement, or in the case of a

³⁷ Art.13, clause 3 Regulation.

possible failure.

We have discussed ways to deliver the document and its further exceptions available. What is missing is one of the most important characteristics: the form required. This is already mentioned is the publication on each company's web page. But this mode is not achievable by all investors, particularly for older clients who are not computer literate. In order to avoid the consequential lack of obtaining information, legislators predicted that:

« where the key information document is provided using a durable medium other than paper or by means of a website, a paper copy shall be provided to retail investors upon request and free of charge. Retail investors shall be informed about their right to request a paper copy free of charge.»

As we can see from the quote above, a printed copy of the KID can be requested. Clearly, provision through the website is preferable in terms of accessibility, costs and sustainability; keeping in mind that the use of alternative methods is possible only when the adoption of the durable medium is appropriate in the context of the business and when the retail investor is given the opportunity to choose between printed information or that available on a durable medium. Detailed rules are foreseen by the regulation³⁸ for disclosure exclusively on the website because it cannot be considered a durable medium.

We have said that access to the internet may be difficult for certain categories of potential investors. In order to protect them, the regulation states that the request of an email address shall be considered proof of the investor's ability to use an electronic device to access the internet. Once again, this is evidence that legislators feel this is important in order to guarantee particular protection at each informative stage, consequently reinforcing trust between the parties involved.

³⁸ Art 15, subsection 5 of the regulation (EU) No. 1286/2014.

2.3 The KID template

In a section above, we explained how a key information document should be structured according to specific rules and suggestions laid out in the European regulation. We have discussed the theoretical part of the KID. Now we move forward to the ‘realistic’ part of the document – that regarding its standardized structure.

The KID has a defined structure and includes eight sections in all in a well-defined order. The regulation states the content of each one but there is no limit to their length. Manufacturers have to keep in mind that although there is no limit for each part, at the same time, the total content of the document cannot exceed three pages of A4 size. It means that particular attention must be paid to the composition of the text in order to avoid the document from being declared invalid.

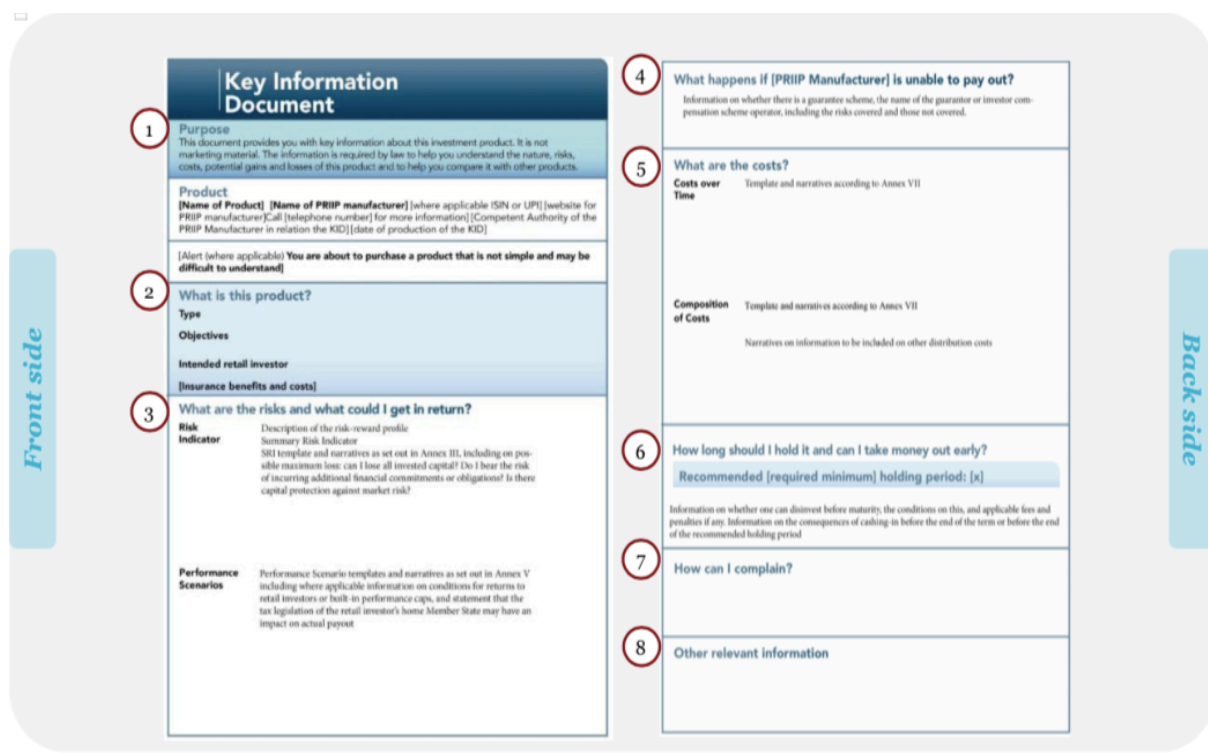


Figure 3. PRIIPs Regulation and the new KID³⁹

³⁹ An example of a standardized model of KID for PRIIPs, <https://www.investeurope.eu/policy/kid-priips/pdf>

2.3.1 Purpose and product explanation

The figure above shows the main questions and their answers. Using this template, we will analyze each part from a practical point of view. That means that certain ones will contain the theoretical explanations as proposed by the law whereas other, like the risk and performance sections, will have a schematic representation based on specific illustrative measures of synthetic standardized indicators.

The first part contains all the basic information - in just a few lines it includes the name of the PRIIP and its ISIN⁴⁰ or other identifying PRIIP information. Likewise, you will find all the information about the manufacturer like his identification and contact information, the web address of the company, the member state's competent authority and the date of issuance of the PRIIP. This first part is a written text that must be easy to understand – its purpose and all details on the product in question. It is important to note that the «purpose» is not editable. For instance, if you look at several Italian KIDs issued by different companies and for different products, you will see that the beginning is the same for all of them⁴¹. This is important because in just three lines the manufacturer relates the content of the document and its aim, always stressing the importance of the reader - or potential investor. Furthermore, here the non-random sequence of the KID is described to help the reader to follow and get all the relevant information.

As mentioned earlier, from now on we will find the sections headed by specific questions about the PRIIP in exam and the corresponding answers which aim at transmitting all the information as possible. Here too, one will find a standardized structure basically made up of three parts: the first on the type of product, the second on the strategy adopted and, finally, on the intended market. Thinking about type, strategy and market might be too broad. If you look at whatever KID you want, you can observe that also here there is a certain default in explaining each point. The description of the type of product provided is easier

⁴⁰ ISIN stands for the International Securities Identification Number. It is an alphanumeric code that serves for uniform identification of a security.

⁴¹ The Italian version of whatever Key Information Document predicts as purpose: “il presente documento contiene le informazioni chiave relative a questo prodotto di investimento. Non si tratta di un documento promozionale. Le informazioni, prescritte per legge, hanno lo scopo di aiutarvi a capire le caratteristiche, i rischi, i costi, i guadagni e le perdite potenziali di questo prodotto e di aiutarvi a fare un raffronto con altri prodotti di investimento”.

and shorter because, here, the manufacturer shall indicate only the category to which the product belongs. Obviously, the type of product to indicate has to be part of the classification laid down by law; the type has to correspond to the legal specifications of the PRIIP.

Proceeding with the part relating to the product, there is an indication about the strategy adopted in issuing it. The explanation and the comprehension of this segment can be considered pretty consistent. Here the strategy is explained as the plan of action designed to achieve a long-term result: all the information about the stipulation of the contract is made clear in detail. Information on a PRIIP includes important factors such as the investment policy, fundamental assets, and the relationship between the yield and the performance of the underlying product. Often, this is summed up through a small table indicating in general terms the duration, benchmark rate, amount, premium and calculation basis. The last part contains a thorough description of the PRIIP's retail target investor. Here all the characteristics that a potential investor should possess in order to conclude the agreement are indicated. Keeping in mind the aim to safeguard the investor, the detention period recommended is also included.

2.3.2 Risk and performance evaluation

A description of the risks and relative performance, as well as the costs, represent the cornerstone of the template, and more space is dedicated to them. In this part not only the potential type of risks that the investor can face is clarified but also what the returns could be. The section relating to the measures of risk will include an illustrative measure of the synthetic risk indicator based on a numerical scale. There is a brief description of the product's risk-reward profile through a summary risk indicator able to give to the product a risk-based score from 1 (least risky) to 7 (most risky). This data is summed up in a basic table: each square, in sequence, contains a number and the object of the risks is pointed out with a different color as follows:



Figure 4: Example of the summary risk indicator⁴²

In other words, the risk indicator is a guide to a product’s level of risk compared to other similar or identical products. It explains how likely it is that the product will lose money because of fluctuations of the markets or because the business is not able to pay the investor. Other relevant risk information is also shown; normally, they express it through a standard text like the one here below:

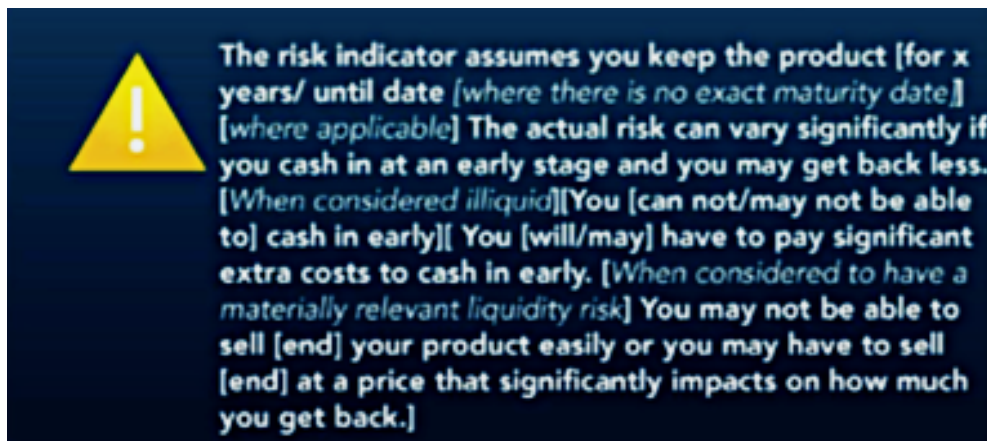


Figure 5. Completion guidance with regard to the SRI⁴³

With this premise the manufacturer wishes to explain the supposed level of risk considering that the computation took into account a time horizon of a certain number of years. Furthermore, other considerations are highlighted if the investor decides to change or extinguish his agreement, whenever possible.

Not only does the manufacturer indicate the maximum loss of invested capital with the assumptions to produce it but also other information on conditions for returns to investors or built-in performance caps. In the end there is also a comment on the impact of tax legislation on the actual payout that the retail investor has to accept in the member state where the product is issued.

But how is the summary risk indicator determined? What is important to

⁴² Summary Risk Indicator scheme, https://www.matterhorn-rs.com/kid_reporting_ss-services

⁴³ *Presentation of the Synthetic Risk Indicator*, Annex III, Commission Delegated Regulation (EU) 2017/653.

know is that, in order to understand and compare the numerical scale, the method used to compute the value has been standardized. The SRI requirements are set out in the RTS; therefore, the format must follow the template contained in them.

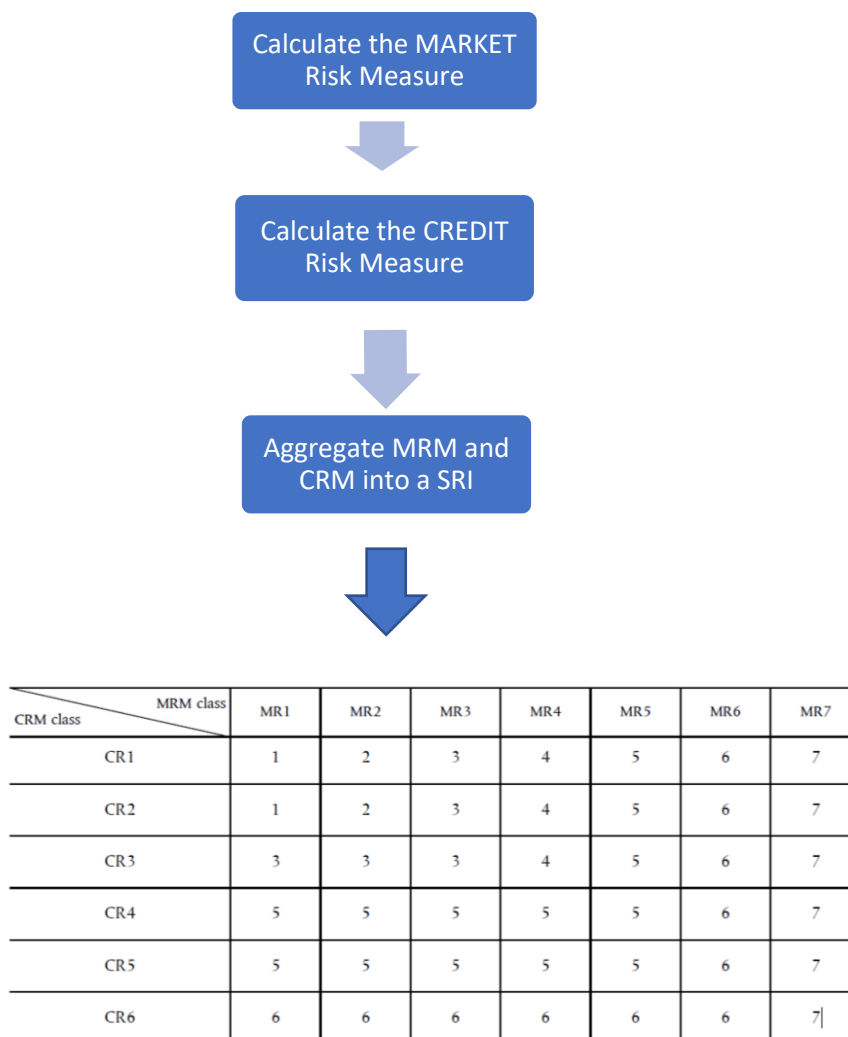


Figure 5: Computation of risk⁴⁴

The final indicator is what results from the combination between the market risk measure (MRM) and the credit risk measure (CRM). The MRM can vary in reference to four specified categories whereas the CRM is based on credit assessment of relevant obligor by external credit assessment institutions. Furthermore, additional information is required for some PRIIPs with particular

⁴⁴ Joint Committee, *PRIIPs – Flow diagram for the risk and reward calculations in the PRIIPs KID*, July 2018, <https://esas-joint-committee.europa.eu/risk-and-reward-calculations/pdf>

liquidity concerns or currency risks. Of course, here we have a synthetic scheme of the method adopted. For each stage, several types of computation are used concerning price, volatility and potential returns through specific IT programs. The second part of this section concerns the level of performance represented by four different possible scenarios established by law. The European regulation, in order to maintain the same criteria for performance evaluation, established that the results of the investment can be favourable, moderate, unfavourable or stressed⁴⁵. In the case of insurance-based investment products, an additional performance scenario is reported that reflects the insurance benefits when an event covered by insurance occurs. Sometimes, but always for this category of insurance, the invested cumulated amount for the three periods in exam should be indicated. One can find all the scenarios possible reported in each KID. Each one states what you might get back after costs within three deadlines that the manufacturer decides to set. Normally, the first indicator refers to one year, the second is more or less the halfway period of possession and, the last one expresses the possible values at the end of the period of detection suggested. All the scenarios are hypothesized considering a certain amount as a reference point. Of course, they are structured in a way that permits to compare each of them with other similar products.

To recapitulate this section, we have relevant types of analysis. The first one regards the risk indicator and the second one the possible performance scenarios. Looking back at the part on risks, we find a description of the risk-reward profile, the use of the summary risk indicator including possible maximum losses. At this point we ask ourselves: Can investor lose all his/her invested capital? Does he/she run the risk of incurring additional financial commitments or obligations? And, finally, is there capital protection against market risk?

Regarding the performance section, we come across performance scenarios where all the information on conditions for potential investor's returns are reported, including comments on tax legislation of the retailer's member state that may have an impact on the actual payout. An explanation of possible scenarios is mandatory. Manufacturers should report all the estimated

⁴⁵ For each scenario, several mathematical and statistical computations are needed. The choice relating the different way to choose in order to reach the scenario is given by the category of the product in exam.

computations referring to one year, the halfway period of detention and the period of detention recommended.

In conclusion, it is important to point out that this one of the most important sections of the information document because it expresses what the results of the investment will be. At the same time, the retail investor has to keep in mind that, in a certain sense, this is a proxy situation of the product over a certain period of time. Surely, they are non-random values: specific computations are dedicated to them, considering the type of product and historical data. Normally, any connection with the past, refers to three or five years before. Other indexes are used only in the case that the product is quite recent. Of course, all the estimations are very close to reality; however, one or more divergences can appear.

2.3.3 Possible insolvency

Considering that we are dealing with products with medium and long-term deadlines, contrary to the initial provisions, it may occur that a manufacturer is not able to pay his/her investor. So, in a case like this? This paragraph is dedicated to this situation and includes possible cases of manufacturer insolvency. This section contains a short description of how the loss can be covered thanks to a guaranteed deposit scheme.

Returning to the further aims of the KID emission, we talked about transparency. In order to guarantee it, all positive and negative aspects must be reported. Therefore, it is impossible to exclude the possibility that a manufacturer could suffer a crisis. For this reason, already in the pre-contractual phase, a potential investor would know for a fact that the product, object of the agreement, is subject to credit risk. But, in which cases can we speak of insolvency? For instance, analysing a key information document of UniCredit⁴⁶, we see that even though it is a large bank, the inability to collect is not excluded. In fact, this section focuses on its credit risk. This can occur due to a reduction of its solvency, deriving from financial trouble, bankruptcy, insolvency or indebtedness.⁴⁷ Therefore it would be unable to fully repay the amounts

⁴⁶ UniCredit S.p.A. is one of the most important Italian global banking and financial services company. Its network, covering 50 markets in 17 countries, gives to the group one of the region's highest market shares.

⁴⁷ UniCredit document section, *Documento contenente le informazioni chiave*, 2018, <http://www.investimenti.unicredit.it/pdf/>

connected to the product under contract. This means that, in this case, the retailer could lose in full or only in part the payments made or suffer unlimited losses. All the possible consequences about one or more losses are clearly explained.

On the other hand, investor protection cannot be lacking. In connection with the applicable law on «bail-in»⁴⁸, the competent resolution authorities may take certain resolution measures so that the investor is exposed only to partial risk. Then, other measures on the reduction or the conversion of the claim may be applied.

This was only an example mentioned above. It is clear that, given the wide range of products on the market, several solutions are permitted. What is important to remember is that on, one hand manufacturers do, not exclude the possibility of negative events and, by doing so, they keep themselves from assuming certain responsibilities. On the other hand, right from the start, the potential investor receives all the information on possible negative scenarios. So, he is informed about possible losses but also about the protection tools available to remedy a manufacturer's inability to pay out. In conclusion, considering the different point of views, both parties involved are, protected in different ways.

2.3.4 Costs

Even the section on the different types of costs represents a fundamental pillar during the writing of the document. Before starting the analysis, it is important to know that, in this section, different categories of costs should be distinguished. For some products having part of their investment in portfolios in different currencies, all costs deriving from the exchange in that currency should be also considered. So when someone asks «what are the costs?» it is crucial to consider costs over time and the composition of them.

When defining costs, there is a synthetic representation of the costs of investment over time. According to a study conducted by Insurance Europe,⁴⁹ these annualised costs should be computed through the «reduction in yield» approach. This is considered the most appropriate method for the cost

⁴⁸ The “Bail-in” is a resolved system for a possible bank crisis predicting the presence of shareholders, bondholders and accountholders. Thanks also to the changes recently issued, none of the investors involved has to support losses higher than the case of the compulsory liquidation (no creditor worse off concept).

⁴⁹ Insurance Europe is the European insurance and reinsurance federation representing, through the national insurance associations, all types of insurance and reinsurance undertakings.

representation because it is very useful and understandable for all types of retail investors. Not only does it satisfy the major aims of the document but, at the same time, when it is compared with the total cost ratio, two advantages arise: the first regards the consideration of the timing of the costs and the second one concerns the non-use of the «average investment».⁵⁰ Furthermore, considering that monetary values are easier to assimilate, all costs are represented through both monetary and percentage terms of cost components based on one-off costs, recurring and incidental costs. Undoubtedly, all the data herein will be coherent with the previous section dedicated to the performance.

About the composition of costs, a detailed description is clearly given of each type of costs an investor could face. Here too, we find the three categories of costs indicated above (one-off costs, recurring and incidental costs) with two subcategories for each one. But, when we talk about the categories that comprise both direct and indirect costs, what do we want to refer to in detail? A brief explanation of the subdivision of costs follows:

- *One-off costs*: these are all the countable costs that are paid once and not repeated. They can be:
 - *entry costs*: initial fees that parties must face to trade, for the first time, in a particular market;
 - *exit costs*: vice versa, they are all the costs referring to those charges or costs deriving from a corporation's plan to stop a business activity.

- *Ongoing costs*: these are all operating costs and operational expenses and expenditure. In general, they are permanently added to operations and are normally required for the daily management of the investment. They can be:
 - *portfolio transaction costs*: these are all the expenses linked with buying and selling securities. Further commissions, purchase and redemption fees, as well as exchange and other costs are included.

⁵⁰ The « average investment» is not a meaningful term and it does not provide relevant information for investment products, in particular the insurance ones, with regular contributions.

- *Other ongoing costs*: possible costs associated with the maintenance of all operations deriving from the investment.
- *Incidental costs*: these are all the minor fees or costs incurred in addition to the main service. They can be:
 - *performance fees*: all the payments made in order to generate positive returns;
 - *carried interests*: represented by the share of profits paid for a specific investment. In a certain sense, they are performance fees able to reward the investment manager for enhancing performance.

This brief presentation of each category of costs allows us to understand the wide range of expenses, more or less sizeable, that the potential investor has dutifully to face during the investment. The impact of the cost is based on the performance of the product in question at the end of the recommended holding period.

All reported data, accurate and clear, permit a comparison between different products. Also in this section, like the ones on risks and performance, the data shown is estimated; the past evaluation, averages, portfolio turnovers and the agreed terms have been mainly taken into account. It is common that some charges can emerge due to new variations imposed by law rather than to fluctuations of performance.

According to a study made by Insurance Europe, the simple comprehension of these data can mislead the potential investor because a sort of confusion could arise between costs and premiums. What is relevant is the difference between the costs to face and the premiums to deposit. Costs are expenditures deriving from the management of the investment. Vice versa, premiums are not costs but an amount that the investor agrees to pay annually, in one or more payments. They should never be considered as costs if they are in connection with risks as well. In addition, further expenses for protection against biometric risk shall not be considered costs since the retailer may receive insurance benefits for these payments. A survey conducted by the same organization, said that this distinction proves to be right only from a theoretical point of view. In the PRIIPs

context, unfortunately, there is not yet a single indicator that aggregates all the costs and the risk premiums into just one result. On the other hand, based on other professionals, the premium relating to the biometric risk will be included because it is a cost that is linked to the insurance of the investment in question. Substantially the problem incurs not only on the cost to face but also on the amount of the premium and its return in terms of liquidity.

Considering the most recent entries into force of the regulation, it is still so difficult to have a single reference model. In certain sections the law text is not extremely clear. However, businesses and manufacturers have based their work on it and on further requirements set out in the RTS but, despite this, they tend to interpret and report from a personal point of view.

Even though information may be difficult to understand, manufacturers and distributors are obliged to provide further detailed information on costs each time these are required by the potential investor.

2.3.5 Timing, further complaints and relevant information

The final part of this chapter is focused on the last three sections of the KID document. They are the holding time, possible complaints and other pertinent information on the product, respectively. Differently from the previous subparagraphs, where the sections were dealt with separately, here three sections are discussed together because they can be viewed as theoretical aspects where only a brief explanation is needed.

The first part of this analysis relates to the timing that, generally speaking, can have different interpretations. When we talk about investments, it can be in the form of deadlines for payments or premiums rather than short, medium or long holding periods. In this case, we refer to the time of holding planned within the agreement and the case in which the investor decides to take the money out early. To the question «*How long should a retail investor hold the product*», there is no specific period of time for a specific document. When we refer to investment in a product defined through a PRIIP, it is clear that the holding period refers to the long-term. Normally, in order to have higher performance and avoid fiscal consequences as well as additional expenses, the timing corresponds at least to ten years. That is why the major key information document, starts with a holding period recommended of medium, or better, long term. Legally, it coincides with

the contractually agreed term between the parties; obviously, the decision regarding the period is established before signing the contract and, further extension is only at the expiration date. And, vice versa, what if the retail investor wants to take the money out early? The issue referring to the requirement of early collection also depends on the contractual conditions established. There are some clauses affirming that the investor is not entitled to terminate the product unilaterally before the end of the contractually agreed terms. On the other hand, this may not apply each time it is established differently by the contract. The contractual early termination clause affirms the following:

«one party or both parties have the right to prematurely terminate this product upon notice to other party and subject to a compensation payment»

That means that, when permissible, an early money out request is allowed. In doing this, certain rules must be followed. These are procedures that cannot be completed immediately at application; a few days are necessary for the transaction. Usually, the emission of the product provides for a conclusion at the agreed term and not before; also, for this reason, the collection of money is not immediate; additional and unforeseen computations as well as disbursements need to be done.

At the same time, the possibility for the investor to take the money out at any time he/she wants to diminish a certain level of trust between the parties because on one hand the manufacturer or distributor attaches importance to the investment and, on the other hand, the investor does not comply with the agreement thereby causing inefficiency on the market too. As well, there are penalties for early repayment; they are all at the expenses of the retailer and, normally, they are already included in the table summing up all the investment costs in its appropriate section above.

Among all the objectives provided for by the regulation, there is the responsibility of accuracy on behalf of manufacturers and distributors towards the potential investor in order to obtain his maximum trust. But this does not always happen; sometimes, something does not proceed on the right course. With the purpose of safeguarding the damaged party, they are given the

possibility to file a claim. This section contains all the information to make a complaint to or by the parties involved. Therefore, all contacts have information on a competent website for claims and an updated postal or email address where you send a written complaint or a phone number to use. The type and level of importance of a possible complaint can vary; the investor is offered channels to find a solution to further personal problems or general warnings. Undoubtedly, they should be used wisely and when really necessary, keeping in mind that manufacturers and distributors are always available for further clarifications.

To conclude this chapter and subparagraph, we will discuss other relevant information about the product. Here are all the indications for additional PRIIP documentation available at the investor's request, through an email address or in printed format.

Finally, each document, contains the standardized clause as laid down by the regulation:

« without prejudice to ad hoc reviews, this key information document is updated at least every 12 months.»⁵¹

As already mentioned in the first chapter, all types of key information documents shall be reviewed ad hoc at least once a year, mainly because performance scenarios and costs constantly fluctuate, and these developments will be reported. Manufacturers are obliged by law to inspect the document every twelve months but, it would be even better, if the revision took place each time a substantial variation occurs. In connection with this issue and in accordance with the Italian law, each manufacturer's KID draft must be approved by CONSOB.

2.4 The notification process

So far we have analysed in detail the structure of the key information document with its sections and relative contents. Once the document is drafted by the manufacturer, an additional passage is required by law before its issuance as pre-contractual information.

⁵¹ Art.15, Regulation (UE) 2017/653.

Looking back at the European regulation discussed in the first chapter, we remember that it requires each EU member state to appoint one or more authorities to carry out some activities that require a particular knowledge and subsequent control. In particular, in relation to the introduction of the obligation regarding the ex-ante notification of the KID by the manufacturer, the management of this activity is entrusted to a competent authority directly chosen by each single country. In Italy, this is the case of the task assigned to CONSOB.

In general, on the national level, CONSOB is the Italian governmental authority responsible for the regulation of the Italian securities market. Considering its level of importance in the financial field, it has been entrusted to approve the documents.

The assignment of this task was approved by law⁵², through the Consolidated Law of Finance. Manufacturers or distributors are obliged to notify the content of the key information document of a specific PRIIP ex-ante the disclosure at the national level. At the same time, the requirement of notification is mandatory even when the KID is not issued for the first time but has already been published and a revision has been made.

Given this task, in order to maintain a certain homogeneity during notification, CONSOB, in line with IVASS, decided to draw up a document containing all the operational instructions⁵³ for issuance of the KID. Therefore, what are the general rules to follow in order to communicate the document information to investors?

First of all, all the instructions state that the information document must be sent only in PDF format as an attachment to a pec e-mail. This shall be done at maximum one day before the promotion. In addition, other specific rules are established regarding the choice of the language to use.⁵⁴ There are other specific

⁵² The assignment of the task was approved by the art.4-decies of the “Consolidated Law of Finance”. It is the translation of the Italian Testo Unico della Finanza (TUF), legally known as Legislative Decree nr.58, 24 February 1998.

⁵³ Art. 4-sexies, subsection 5, Testo Unico della Finanza (TUF), in accordance with the (EU) regulation No. 1286/2014.

⁵⁴ Part of the general rules issued by Consob, “Istruzione operative per la notifica del KID dei PRIIPS”, <https://www.consob.it/.../consob/content/istruzioni-operative-di-notifica-dei-kid-dei-priips>

explanations for the postponed⁵⁵ notification of the KID regarding PRIIPs already available on the financial market before this regulation went into effect.

The second and last part of the guidelines refer to all the instructions to follow during the formulation and transference of data. Finally, other further information is given for particular types of products and timelines. Even if we are only referring to simple instructions, they are well-defined, and manufacturers are obliged to follow them.

In conclusion, manufacturers may feel that this procedure is something that requires additional time and attention. But, if we take into account the notification process as a whole, we see that it is a demonstration of transparency and accuracy. At the same time, it also represents a protection tool for manufacturers: continuous compliance with the rules by them and a certain monitoring of their behavior by authorities is the basis to proceed efficiently and avoid problems and penalties.

Remaining on the topic of transparency, very recently some changes have taken place in the insurance field. In order to permit uniformity of the pre-contractual information so that the investor does not get overlapping documents, a new IVASS regulation⁵⁶ has gone into effect.

In accordance also with the recent CONSOB decision,⁵⁷ the IVASS regulation reflects the new default of the constraint on insurance distribution. It forecasts the preparation of several pre-contractual documents for the insurance businesses, as the result of an articulate system of European sources directly applicable together with the national law. This means that, businesses are obliged to issue standard documents based on the European regulation and others foreseen by Italian legislation. More specifically, we find as a member state, the issuance of:

- KID (key information document) for all packaged retail investment and insurance-based investment products;

⁵⁵ Before the entry into force of the regulation at the national level, CONSOB in accordance with IVASS and other authorities, decided on 31/03/2018 to postpone the notification of the KID on financial products already available on the market before 01/01/2018.

⁵⁶ IVASS regulation No. 41/2018 with entry into force from 01/01/2019.

⁵⁷ Deliberation no.20710/2018 issued by CONSOB.

- IPID (insurance product information document) containing a description of the main features of insurance-loss products.

On the other hand, at the national level, there is:

- DIP (pre-contractual information document) for pure risk insurance products;
- other additional documents for specific types of insurance products that contain supplementary and complementary information in order to transmit more analyzed knowledge of the product in question.

This new regulation represents an important breakthrough in the pre-contractual phase because it considers the European and national laws together, creating specific documents as a simplification of the regulatory texts. Furthermore, this simplified document requires constant review to safeguard the retail investor.

In general, these are important developments that focus on the potential investor; the main objective is to reduce the information that has to be transferred because the investor has the right to be informed. But what is important to consider is the way to communicate and the quantity of data. Undoubtedly, a wide range of new channels offered by digitalization and the capacity to reduce the amount of information are the key elements to well inform and safeguard a potential investor.

Finally, as we can see, there is a strong commitment on behalf the authorities in the rationalization and updating of the legislation in force in order to simplify and modernize the insurance sector so that it will be more active and important within the financial market.

A study conducted at the end of the past year by some lawyers and accountants working in the tax and legal services sector,⁸⁸ defined the KID as a concise document structured through eight specific sections dedicated to frequent questions and answers in order to simplify and make all the content clearer and more understandable. So far, nothing looks like anything new: the only difference between the previous seven and the actual eight sections consist

⁸⁸ Cascinelli F. e Sasso F.P., “Il regolamento PRIIPs, i nuovi RTS e il recepimento in Italia con il D. Lgs. 224/2016”, April 2017, <https://www.dirittobancario.it/finanza>

in an intentional explanation, where applicable, regarding a comprehension signal on certain categories of products. On the other hand, this analysis affirmed that despite new reformulation of the technical standards, many organizations and professionals support the presence of uncertainty elements based on the use of the past performance in favour of future scenarios. Clearly when we refer to future events, even though new methods of computation are permitted, a certain margin of error is always there.

With the aim to understand the effects of the key information document, in the next chapter there will be a detailed analysis and comparison of insurance-based products that have similar features in terms of risks, costs, performance and detention period but issued by different companies.

Chapter Three

The life-insurance sector within banks and KID implementation

3.1 Banks as insurance distribution channels

Thinking about insurance and the wide range of products available, one's attention is mainly addressed to insurance agencies. But this is limited, especially nowadays because many insurance-based products are sold through banks as well. This distribution channel represents a great opportunity for both parties involved: for banks it constitutes a possibility to offer different products to clients already known as well as enhance the bank's profits. On the other hand, customers have the opportunity to manage both their bank and insurance needs in one place, with a particular level of loyalty and trust.

Being able to satisfy potential investors with different characteristics, offer a relevant number of products directly or through other insurance companies in partnership and be active more at a local rather than national level are key aspects that permit banking groups to distinguish themselves on the market.

What one must remember is that insurance business should be considered a secondary activity for banks. This is one of the reasons why banks, in the majority of cases, do not have their own insurance company but they work with other private insurance agencies. To guarantee a certain level of competition and customized products, it is clear that insurance products sold by insurance companies are not the same as those sold through banks.

Despite the type of internal management chosen by each intermediary, what they have in common is the particular focus on retail clients. This aspect is important not only because the client can become a potential investor but also because this bank business is in accordance with European and national law. In fact, as already discussed, the PRIIPs regulation and the relative key information document establish certain rules and guidelines that banks and other intermediaries have to follow with the aim to maintain trust and guarantee transparency as well as offer clients a certain level of knowledge for comparing products on the market. Furthermore, considering that a potential investor is

already a bank's private client, concluding an insurance agreement undoubtedly becomes easier in terms of understanding and advice.

Given all the different aspects mentioned above, banks are seen as good intermediaries for the insurance-based products. Looking at the territorial presence in terms of number of bank branches and types of customer, we will make an analysis of the insurance companies in partnership with and of related products actually in placement at three important Italian banking groups.

3.1.1 Three banking groups in partnership with insurance companies

At the local level, one of the biggest co-operative credit groups is ICCREA⁹⁹. The ICCREA banking group has several branch offices and aims to support the functions of the Credito Cooperativo and Cassa Rurale banks and satisfy their clients - private and professionals - through a wide range of products and services. Particular attention is given to the territory; in fact, one of the most important aims is to reinforce the position of the co-operating banks on the local market and to maximize their added value through the creation of a certain level of efficiency and competition. They offer a wide range of products and investments including legal advice, financial services, development of business strategies and all the branches are dedicated to insurance through holdings working exclusively for Credito Cooperativo.

The possibility of having a direct impact on the territory is also an opportunity to know the customer well. It means being able to offer an insurance policy to the potential investor – a product as *ad hoc* as possible. In developing this aspect, ICCREA has worked with insurance companies as well as with others that operate only through a partnership.

Insurance suppliers of life-products for the ICCREA group are the Italian companies ArcaVita, Assimoco, Eurovita, Groupama and Itas. All of them allocate different types of insurance policies through banks, some work only with co-operating banks, others also with other banking groups and, finally, others through insurance agencies as well. The network is very broad; the distinctive

⁹⁹ ICCREA stands for Istituto Centrale delle Casse Rurali ed Artigiane; it is a central institution of Italian credit unions and rural saving banks.

feature for success on the market consists of the capacity to create customized products able to satisfy various investors' needs.

Regarding national coverage, the second bank group we will discuss is Intesa San Paolo. With its numerous branches in Italy and around the world, it is considered Italy's leading banking group and one of the top banking groups in Europe. Despite its size, its strategy is based on a strong and sustainable value created towards its stakeholders. All the group's activities are based on customer trust and shareholder satisfaction, thanks to their constant diligence and close monitoring of the needs of the community but also of surrounding areas. Within the insurance field, a lot of insurance and pension products based on direct deposits and technical reserves are designed to satisfy different types of investors.

Differently from ICCREA, the Intesa San Paolo bank has its own unique insurance company called Intesa Sanpaolo Vita. Due to the different types of insurance sector to cover, subsequently the group is divided in Intesa Sanpaolo Assicura, Intesa Sanpaolo Life and Fideraum vita.

Last but not least, the third banking giant is UniCredit, defined as a pan-European group, with the largest presence in Italy, followed by Europe and then other branches around the world. Even though it is a very large bank, the entire group works as a single entity in all markets and business divisions with the aim to satisfy clients with increasing demands. Continuing rapports, and knowledge of the local territory together with innovation and specialization are the pillars of the services they offer, able to satisfy any kind of client. They issue a wide range of insurance products as official distributor for third parties - Aviva S.p.A, CNP UniCredit Vita S.p.A., CreditRas Vita S.p.A, Incontra Assicurazioni S.p.A. and RBM Salute S.p.A. Taking into account our analysis based only on life-insurance products as an investment, there will follow an analysis on products issued by CNP UniCredit Vita S.p.A. as the major life sector partner of UniCredit bank.

Despite the different dimensions and goals of each banking group, the investor remains in first place for each banking mission. In a competitive environment, the decision taken by banks regarding investing, alone or through third parties, is important to satisfy a variety of customer requests.

3.2 Life-insurance products in placement

The analysis based on the wide range of life-insurance products wants to demonstrate how many possibilities are available through banking channels for investors who wish to take out an insurance policy containing an investment part. The choice regarding this type of product is not random but linked to the Italian financial behavior and markets. For Italian families, usually risk-adverse, life-policies always constitute an important tool because they decrease uncertainty about the future and, at the same time, they increase the possibility to manage one's savings. It means that, these types of contracts are developed through the identification of growing financial returns deriving from certain investment components able to maintain the real value of the policy and enhance economic results. In other few words, a certain level of protection and a minimum savings amount are guaranteed, in the long as well as medium-short term.

A first distinction between this type of products is based on the type of fund managed within the life-policy. According to the IVASS regulation,⁶⁰ all the life-insurance contracts having performance directly linked with a stock index or other benchmark are «index linked»⁶¹. Vice versa, all the life-insurance policies having performances directly linked with profitable values contained in an internal fund managed by the same insurance company or based on OICR shares value are «unit linked.»⁶² There is also a recent category called «composite insurance»⁶³ to consider. These can be considered as hybrids because they are the «*combination of a traditional component with minimum guaranteed yield and one or more unit-linked investment options*»⁶⁴. A reason to take into account this type of contracts too is the fact that not only are they a combination of «branch I» and «branch III», already objects of the analysis, but they are oriented to retail clients and, considering the level of risk, minimum certain returns and other custom-made features, are nowadays widespread on the market nowadays.

⁶⁰ IVASS Regulation no. 41 of 2 august 2018, “*Regolamento IVASS recante disposizioni in materia di informativa, pubblicità e realizzazione dei prodotti assicurativi ai sensi del decreto legislativo 7 settembre 2005, n. 209 codice delle assicurazioni private*”.

⁶¹ Translation from art.2, subsection 1, IVASS Regulation no. 41/2018.

⁶² Ibid.

⁶³ Composite insurance is the translation of the Italian «multiramo» life-insurance policy.

⁶⁴ Translation from Consob memorandum, *Le polizze assicurative di natura finanziaria*, 6 dicembre 2018.

A brief explanation of another type of distinction based on the Italian life insurance subdivision will follow in the next subsection; then all the products now in placement by each banking group, aggregate on the basis of a common insurance branch, will be reported.

3.2.1 Life insurance products classified by branch

Another important distinction between life-policies refers to the subdivision of life insurance. According to Italian legislation,⁶⁵ the classification includes six types of policies.⁶⁶ Here, considering the type of product in question, combining savings and investment, the attention will only be on the «ramo I» and «ramo III» as products and on «ramo II» only as a component of the third branch.

In detail, the first three life insurance policies involved are as follows:

- «ramo I»: all insurance based on duration of human life;
- «ramo II»: all insurance based on birth and marriage events;
- «ramo III»: all insurances, «ramo I» and «ramo II», where the main performance is directly linked to the value of shares of collective saving investment entities or internal funds rather than to indexes or other benchmarks.

Recently, as we can see on the insurance market as well as in each banking group analyzed, the insurance-based products «ramo III» and composite insurance-based products are the ones that sell the most.

In conclusion, as observed, different distinctions characterize the life-insurance sector. There are cases in which certain characteristics are a combination of two others. This is the case of «ramo III» policies that represent a product in part made up of a fund and, at the same time, with no expiration date («ramo I») or linked to particular life-events («ramo II»). Instead, the other combination is the widespread «multiramo» - a combination of human life duration («ramo I») and investment in a specific fund («ramo III»). This means that this latter type of product indirectly also contains «ramo II» as initial

⁶⁵ Legislative decree, no. 209 of 7 September 2005, *Codice delle assicurazioni private*, art. 2.

⁶⁶ According to the Italian *Codice delle assicurazioni private*, the classification is the following: «ramo I» refers to the human life duration, «ramo II» on birth and marriage events while «ramo III» is the composition between the first and the second one and represent all the contracts with an investment part, in internal or external funds. To follow, «ramo IV» is based on illness and not self-sufficient policies, «ramo V» on capitalization operations and, finally, «ramo VI» on collective funds for events in the case of employment suspension or reduction.

combination of the third branch. In the past years, given the certain level of complication and the risk of creating confusion, these classifications have often been the object of debate. In the following part of the chapter, in the presentation of the life-policies actually in placement for each banking group, a description of the type of product will be in compliance with the explanation above.

3.2.2 Products in placement according to branch

A detailed look at the life-insurance policies actually in placement by each banking group in this study allows us to see that, in the field of savings and investment, the most frequently distributed products are «multiramo» policies, followed by «ramo III» products. Of course, «ramo I» are also distributed but not as often.

Now, all three banks will be put together with related insurance companies in partnership and the products issued will be shown according to the branch to which they belong.

Starting with an analysis of the «ramo I» products actually on the market, they are shown together in the following table:

Banking group	Insurance company	Product	Further info
ICCREA Banca	ARCA VITA S.p.A.	Oscar InvestiSicuro	Single premium
	ASSIMOCO Vita S.p.A.	SogniSicuri	Revaluation rate Recurring single premiums
		Passo Libero	Revaluation rate Single premium
	EUROVITA S.p.A.	N/A	Not available
	GROUPAMA S.p.A.	InvestiSi Capitale Sicuro	Revaluation rate Single premium
	ITAS Vita S.p.A.	VENITAS Gestione Garantita	Single premium Further additional rates admitted
Intesa Sanpaolo S.p.A.	INTESA SANPAOLO Vita S.p.A.	Base Sicura Tutelati	Single premium
		ISV Tu dopo di noi	Single premium
		Penso A Te	Single premium Fixed term

UniCredit S.p.A.	CNP UniCredit Vita S.p.A.	N/A	Not available
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Regarding «ramo III», the table is as follows:

Banking group	Insurance company	Product	Further info
ICCREA Banca	ARCA VITA S.p.A.	N/A	Not available
	ASSIMOCO Vita S.p.A.	Multi Assimoco	Single premium Further additional rates admitted Three funds available
	EUROVITA S.p.A.	Myunique	Minimum single premium established OICR funds
		Easy unit	Minimum single premium established Internal funds
		Berico Più	Minimum single premium established Internal funds
	GROUPAMA S.p.A.	N/A	Not available
	ITAS Vita S.p.A.	N/A	Not available
Intesa Sanpaolo S.p.A.	INTESA SANPAOLO Vita S.p.A.	N/A	Not available
UniCredit S.p.A.	CNP UniCredit Vita S.p.A.	My Selection	Minimum single premium established Further additional rates admitted Fifty-eight funds available
		Income Smart	Minimum single premium established Further additional rates not admitted Internal fund
		Calybra CNPUNI	Min and max premium established Further additional rates not admitted

			CNP funds
		Life Bonus Stars	Yearly premiums Minimum detention period established Nine funds available
		UniBonus Strategy	Yearly premiums Minimum detention period established Nine funds available
		UniValore Stars	Minimum single premium established Further additional rates not admitted Thirteen funds available

The last group is based on the «multiramo» division where the products are in placement as shown below:

Banking group	Insurance company	Product	Further info	
ICCREA Banca	ARCA VITA S.p.A.	N/A	Not available	
	ASSIMOCO Vita S.p.A.	Duo Assimoco	Single premium Further additional rates admitted Three funds combinations available	
		New Eurovita Quality	Single premium Further additional rates admitted Six funds combinations available	
			Smart	Single premium Revaluation rate Four periodicities available
			Forza 15 Premium	Single premium Revaluation rate
			50&50	Single premium Further additional rates admitted
	GROUPAMA S.p.A.	InvestiSì Doppio Valore	Single premium Further additional premiums admitted Six investment options available	

	GROUPAMA S.p.A.	InvestiSì Doppio Valore PAC	Periodic investment Further additional premiums admitted Six investment options available
	ITAS Vita S.p.A.	N/A	Not available
Intesa Sanpaolo S.p.A.	INTESA SANPAOLO Vita S.p.A.	Equilibrio Dinamico	Single premium Numerous funds combinations available
		<i>In</i> Fondi Stabilità Insurance	Single premium Numerous funds combinations available
		Progetta Stabilità Insurance	Monthly premiums Numerous funds combinations available
		Synthesis	Single premium Numerous funds combinations available
		Synthesis HNWI	Single premium Numerous funds combinations available
UniCredit S.p.A.	CNP UniCredit Vita S.p.A.	UniBonus Mix	Yearly premiums Timing and amounts established Four investment combinations available
		UniOpportunità Stars	Single premium Amount established Further additional rates admitted

As one can see in the tables above, the first column shows the bank group and the second the insurance companies they are in partnership. Moving to the column dedicated to the products, there are cases in which one or more products are issued or nothing is available. This is the result of a commercial choice, undoubtedly linked to agreements between parties and market competition. Finally, the last column gives brief information on the main features of the policy. General and specific key information document for each product and variables are reported in detail in the Appendix.

In the end, there are actually thirty-three products in placement. All the banking groups have numerous composite policy options as the most frequently requested. Then, there are the popular «ramo III» and, only for ICCREA and Intesa SanPaolo, some products from «ramo I» as well. Converting this information into a pie charter, the proportion for each type of contract is as follows:

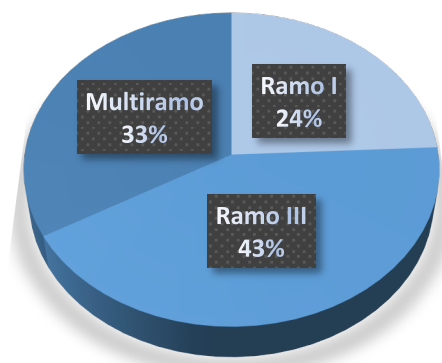


Figure 4. Percentage of product issued⁶⁷

The «ramo III» policies are close to 50% of the products, followed in high percentage by the «multiramo». Despite the fact that «ramo I» are offered by only two banking groups, the percentage of 24%, in any case, can be considered relevant.

As already mentioned, these are only the main types of life insurance policies. The «ramo III» and «multiramo» have subcategories based on the different investment funds. This means that the number of products will be the same but, taking into account the numerous variables, it greatly increases.

3.3 An overview of the KID use

So far, the analysis has dealt with the classification and the type of life insurance products available on the market. Each one has to be compliant with the law regarding the issuance of an appropriate key information document. In the previous chapter, an explanation of the KID template and content was given but, despite its observance, there are still some diversities among banking groups

⁶⁷ The graph shows, on percentage, the three life-insurance policies analyzed as result of the banking groups analyzed and their products actually in placement.

arise. Of course, these considerations are the result of a comparison among all KIDs, general and specific. Even though they may seem similar, the relevant differences are not in the first sections on the explanation of the product but in the numerical data. The main difference is that the general KID does not contain the section that discusses performance. Also, the risk level is not only a single number as an indicator but two or more numbers that represent the minimum and maximum levels of risk for all the funds involved. A similar method is used in the costs table: both numerical and percentage data are expressed as a range between the minimum and the maximum cost taken into account for each single policy available for that product. There are other differences concerning both types of documents, for each banking group analyzed.

Starting from the way to access the key information document, there are groups like ICCREA and Intesa Sanpaolo that, once the product has been selected, have direct access to the document. Vice versa, in the case of UniCredit there is reference to the website in the third part concerning the product in question. Even though among all the key objects it is rather easy to find the information available, the various ways are a demonstration of what each business consider as 'easily accessible'. Remaining with the disclosure issue, another comparison regards allocation of the KID. In most cases it is a separate three-pages downloaded document; in other instances, it is part of the information set and its access becomes more complicated because it is together with the DIP⁶⁸, insurance conditions and proposal form. When the analysis is focused on life-policies with a fund management, there are companies that firstly publish the general key information document and then later a specific one for each fund linked to the policy. But this is not a general rule because there are also situations in which only the general document is published and access to the specific fund document should happen independently, following the recommended indications.

Considering the key information content and the guidelines imposed by law, the template is more or less the same for all the banking groups. There are only a

⁶⁸ DIP is the Italian acronym for «documento informativo precontrattuale» or precontract information document. Together with the key information document, it gives details on all the features of the policy offered.

few differences, not concerning content but rather as graphic default on the section subdivisions. This is not a problem in any case all the information is explained, but the differences could create a little confusion when the investor wants to compare different products issued by different insurance companies.

Continuing with a comparison of the descriptive sections, the information is not in detail in all the key information documents reviewed. Taking into consideration the autonomy permitted by law in making descriptions, usually they are quite general, making broad and subjective interpretations possible. The major differences regard the amount of detail in describing the product, its object and the features that the potential investor may have. Although the aim can be considered a key element of the agreement, often it is expressed simply in general terms. In a certain sense, this is understandable because it is clear that, considering the type of product in exam, the investor is really only interested in investing capital and its increment. Regarding the investor, his/her level of experiences and knowledges is always discussed concerning risks and his/her capability to face further losses. Sometimes, other personal information is requested like the age range, the minimum or maximum notional amount to invest, the time horizon and so on. Not considering these last specific characteristics, it is usually difficult to understand if the potential investor represents the ideal figure when the requirements are indistinctly explained. It will be the intermediaries' task to get to know the customer and understand if he/she may or may not have the characteristics necessary to stipulate the contract.

Only UniCredit, in the interest and exclusive use of its retail investors, uploaded a paper⁶⁹ in a general information section on the website that explains the introduction of the KID, each section, the guidelines imposed by law and the company choices of content in drafting the document composition. Surely, this represents a distinctive characteristic of the group because it demonstrates its particular attention toward investors in conveying to them a wide range of understandable information, in the best and easiest way possible. In a certain

⁶⁹ The paper available for downloading is *KID – Key Information Document. Gestione operativa e spiegazione KID*. CNP VITA, partner UniCredit, August 2018, <https://www.cnpvita.it/.../guida-alla-nuova-informativa-precontrattuale-per-i-prodotti-di-investimento.pdf>

sense, UniCredit has demonstrated its professionalism by creating something that goes beyond what is required by law with the aim to satisfy different types of clients with various levels of knowledge and experience who wish to invest in this type of products.

Finally, a comparison of the numbered sections in the KID reveals different methods adopted by various company. Regarding the performance scenarios, in most cases the premium, even if even equal to zero, is reported in the specific key information document. More or less the same happens with the last part of the costs table, relating to performance commissions and dedicated to carried interests. In this type of policies, they are equal to zero but they are reported anyway as «not applicable». The choice of the value application intends to demonstrate the transparency of the company in disclosing what is usually lacking.

In general, a review of numerous KIDs allowed to observe how certain parts of each information document can be quite differently represented even though they are all in compliance with the law.

Chapter Four

The impact of the KID

4.1 A KID comparison of products distributed by the three banking groups

As already mentioned in the previous chapter, in order to understand if the KID implementation could or could not be considered as something innovative, an analysis of numerous KIDs of life-insurance products in placement issued by the three banking groups chosen, is done. Is all the information available able to allow a market comparison? And with which degree of detail?

In this first part of the chapter, the objective is to evaluate all the data contained in each document, with particular focus on the different risk levels and total costs attributed. After several computations of numerical data and their graphic representation, how can we interpret the results obtained?

4.1.1 Comparison based on risk

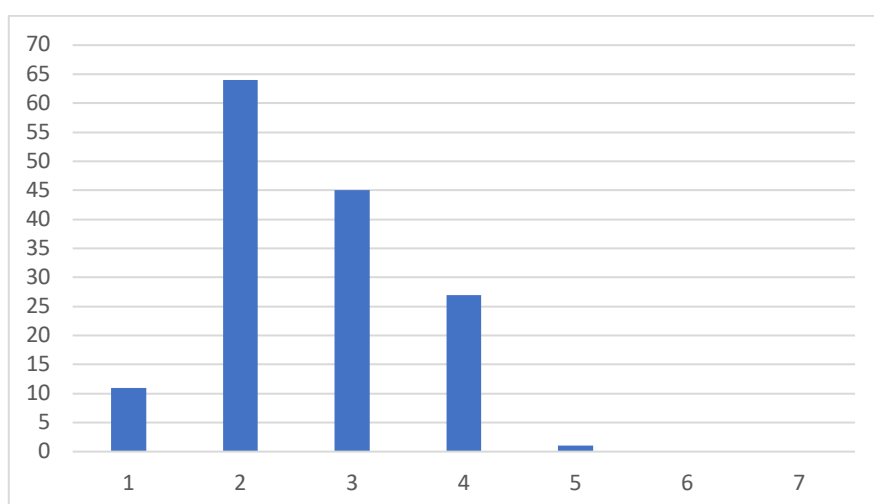
Firstly we want to focus our analysis on the major level of risks that characterized each product and related funds. Keep in mind that in order to have only one number as a risk indicator, we will refer only to specific KIDs. Obviously, for each product there will be only one or more than one information document; the number depends on the funds that compose the product in question and on the method used by the company to manage information. Regarding this last issue, the comparison allowed to observe how companies disclose information in different ways. Four different ways were used:

1. in the cases of *Assimoco* and *Groupama*, both referring to *ICCREA group*, for each product composed of more than one fund, there is one general KID and a specific one for each fund available;
2. for *Eurovita (ICCREA group)* and *CNP UniCredit (UniCredit group)*, although products are composed of numerous funds, they published only the specific KID for each fund in placement and not a general one as summary of all of them;

3. for *Intesa Sanpaolo Vita (Intesa Sanpaolo group)*, though the majority of products are linked to several funds, all the general KIDs are delivered and, for those having more than one fund, a specific one is given to the client at a later date;
4. finally, for all companies it is common to give disclosure though a single specific KID when the product issued is a standard policy, with no fund connected.

Nevertheless, this is not enough. We reported in the Chapter Three that when the information document is general, the risk is shown as a range between the minimum and the maximum risk value contained in all the specific KIDs that compose the product in question. But, through our analysis, we observed that this method is not applicable for all businesses. There are cases in which it is even expressed through a range, but with values that are greater than the ones reported in the specific documents. This way, the company prefers to use a higher risk level considering that the market can fluctuate rapidly, and the values reported are only estimates. For this reason, they prefer to assign a higher value to the risk indicator analysed.

Proceeding with the computation, how many products have a low risk level? And how many are characterized by a high-medium level? The results are shown below:



Graph 1. Risk level distribution⁷⁰

⁷⁰ The graph shows the number of life-insurance products actually on the market companies belonging to each banking group chosen in relation with the level of risk imposed by the regulation.

In the bar chart above, on the x-axis there seven possible levels of risk imposed by the regulation are reported whereas the number of products is expressed on the ordinate.

An analysis conducted on one hundred and fifty-one products allowed me to conclude that 43% of products issued corresponding to 68, have a low risk level equal to two. They are followed by 30%, or 46 products, with a medium risk equal of three, while the number decreases in the case of a product with a high-medium risk (level four) showing only 18%, or 27 products. Then, a lower quantity of amount equals 7% characterized by 11 products with the lowest risk equal to one. Finally, considering the distribution, there is an exception of only one product with a high risk (level five) and another one with the highest risk level equal to seven, covered the remaining 1% of the analysis.

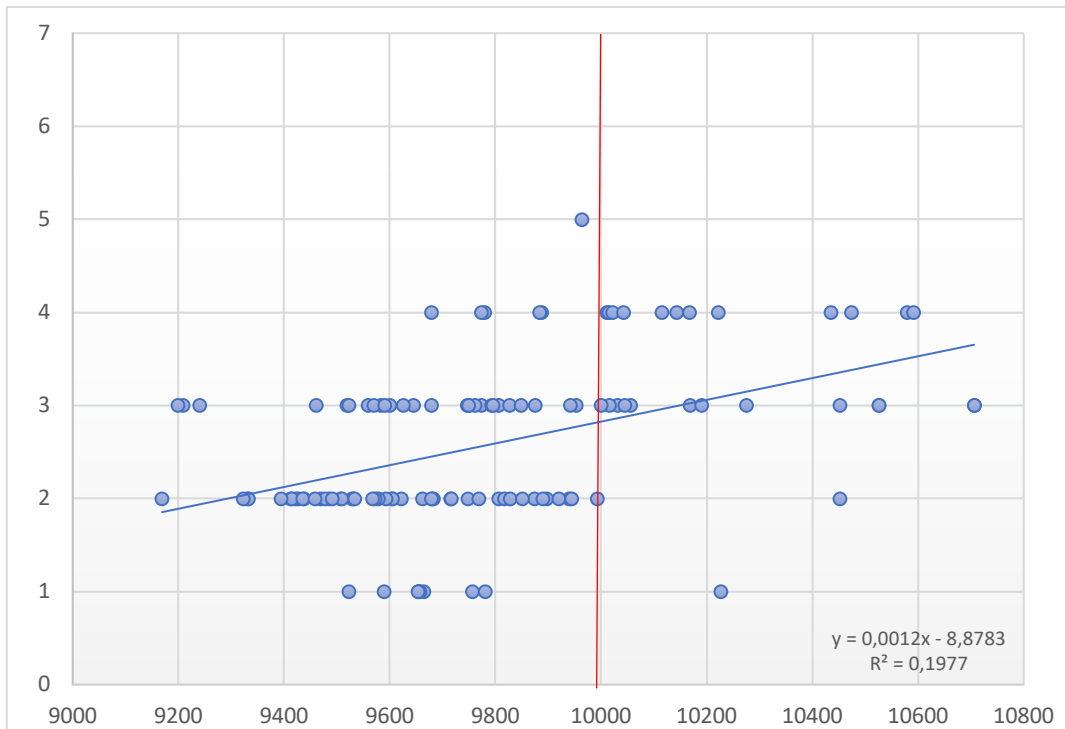
The comparison of the specific KIDs allowed me to see the features of the products in placement, numerically speaking, for the three banking groups chosen. In this case the information document proved to be a successful tool because it quickly allows one to find relevant results, undoubtedly thanks to the default imposed by law regarding the standardization of the risk category and its representation as well.

4.1.2 Comparison based on performance

Performance scenarios represent the core of the investment because they permit to understand the market trends and the resulting earnings or losses. Through the KIDs comparison, we want to observe how each product performs. In doing this, in all the specific key information documents, we will only consider the performance at the end of the first year, in a moderate scenario⁷¹, with an initial amount equal to €10.000,00.

In general, given the level of risk and the performance results, is there a correlation between them? If the risk level increases, does the performance reflect the same trend too? Or vice versa? The following gro shows the results obtained:

⁷¹ Only the performance scenario is analyzed because, among all, it is always the most likely.



Graph 2. The relation between moderate scenario and risk level⁷²

The scatter chart explains the result deriving from the analysis of one hundred and sixteen documents. On the x-axis the several amounts at the end of the first year of detention are reported while, on the ordinate axis, the levels of risk. As we can see, the reachable amount at the end of the first year are between €9.400,00 and €10.200,00 based on a medium-low risk indicator (from two to four). Despite an initial capital of €10.000,00, apparently seems that the majority of the products, after the first year of detention, present a lower return. On the other hand, the slope of the regression line is positive.

What are the results deriving from the analysis? Could this evaluation transmit useful information to the investors? In order to give an answer, we have to observe the drop of regression line and the square correlation coefficient. From the computation, the result is that they are close to zero. A positive drop means that higher will be the risk, higher will be the return and vice versa. On the other hand, when the square correlation is very close to zero, it is not significant enough to evaluate the trend of the investment.

⁷² The graph shows the relation between the moderate scenario, at the end of the first years, and the risk level. All data regarding each one, are reported in greater detail in the Appendix.

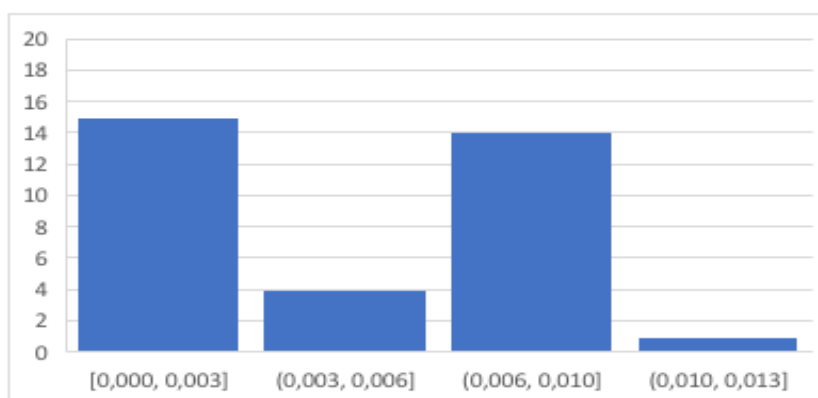
Despite the trend relating with the risk is positive, we affirm that a certain level of uncertainty occurs for investors, considered both the results obtained by the computation and the unpredictability of the market.

4.1.3 Comparison based on costs

As we know, costs represent an important section of the document and one of the key factors when the investor wants to choose a product. Given all data regarding each category of costs established by the regulation, first of all, is it possible to compare more than a hundred documents? Also, what is their trend?

In order to have the detailed total of costs and not their average, the analysis will be conducted only on specific KIDs. This choice is to avoid overlapping because there are companies that first show the general KID and, then, the specific one. But in doing this, certain accounts are considered twice, influencing, in this way, the total results. As we will see, for each category of costs, the amounts are different. There are types of costs that will be equal to zero for almost all of the products rather than cases in which the amount will be different for each specific KID. For this reason, for each type of costs, a different way of representation will be used. Vice versa, the costs incidence must be considered in percentage terms and calculated per year for all the products analysed.

The first study is on the one-off costs - entry costs and exit costs. Considering the former, only in 15% of cases are they equal to zero. For the remaining part, different amounts appear. The graph below shows the trend:

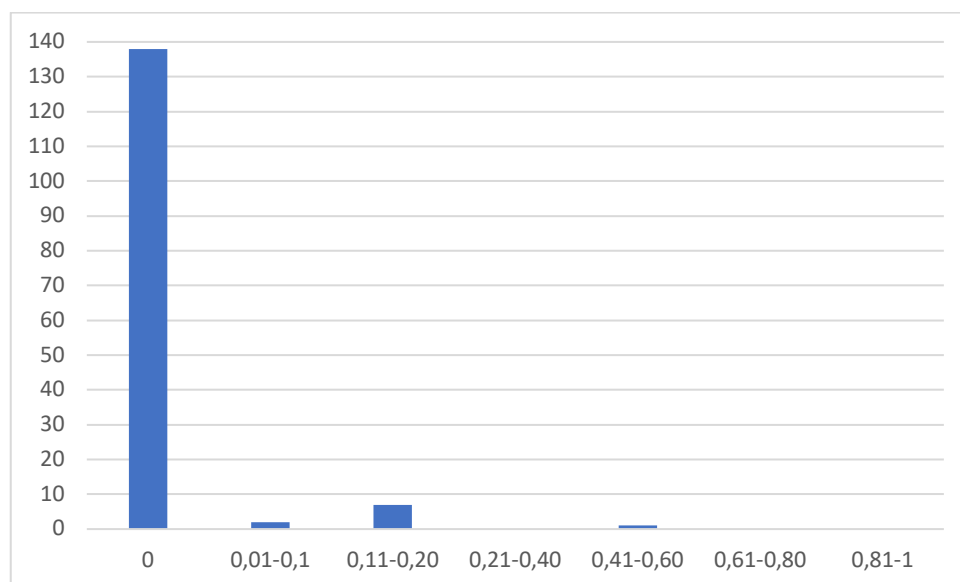


Graph 3. Entry costs incidence⁷³

⁷³ The graph is the result of the costs analysis trend of almost one hundred-fifty specific KIDs. All data regarding each one, are reported in greater detail in the Appendix.

The graph explains how entry costs influence products. In the ordinate are the number of documents analysed; the x-axis represents the cost incidence. As we can see that normally they are lower than 0,40% even if, in this case, a consistent number of products show an amount between 0,60% and 0,80%. Only one product has an amount greater than 1%. In conclusion, we observe that, in general, this type of cost may influence the product in a range between the 0% and 80%. Only in some cases will it be higher but always around 1%. In the end, what impact does it have? It is difficult to answer this because, if we consider only this type of cost, whatever the initial capital is, the incidence will be a constant and it appears low. But, if we take into account this cost as a part of the total costs that an investor has to face, would it still low?

The second category of one-off costs is represented by the exit costs. What would the costs be that the investor must pay if he/she decided to pull out of the agreement before maturity? Although life-insurance policies normally do not have an expiration date, when the conclusion of a contract is required, there are cases when there is no fee but also cases when there is an expenditure. The results are shown below. In order to facilitate comprehension of the chart, the costs incidence here will be divided into several ranges:

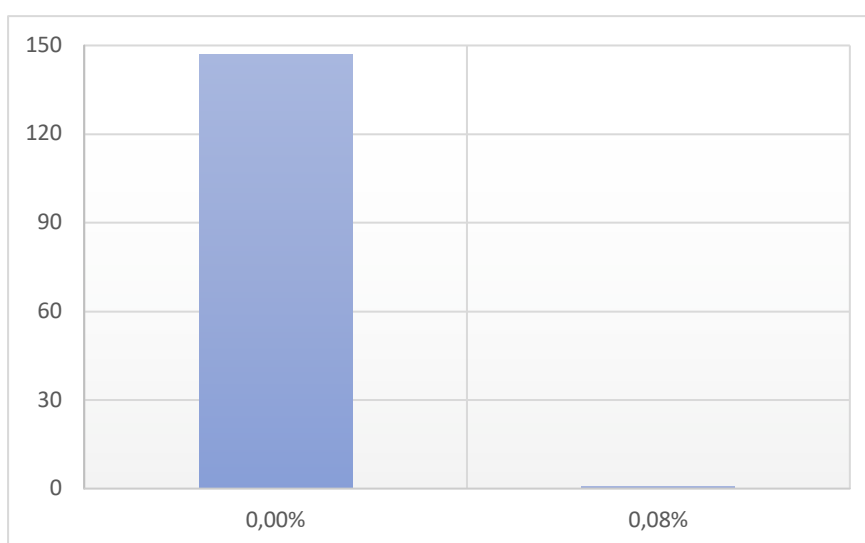


Graph 4. Exit costs incidence⁷⁴

⁷⁴ The graph illustrates the results deriving from the incidence of the exit costs contained in all the KIDs analyzed. All data regarding each one, individually are reported in greater detail in the Appendix.

The bar chart shows that, in our analysis as well, the costs relating to an exit from the investment are mostly equal to zero. Only in 7% of our cases is there an expenditure, with an amount even lower than 0,60%. This fact is linked to some conditions on the agreement in which a conclusion would be considered as an exceptional event.

Proceeding with the ongoing costs, how do they generally perform? An analysis of the portfolio transaction costs easy because, of all the key information documents studied, only one product has, in a fund, a cost corresponding to 0,08%. In all the other cases, it is always equal to zero.



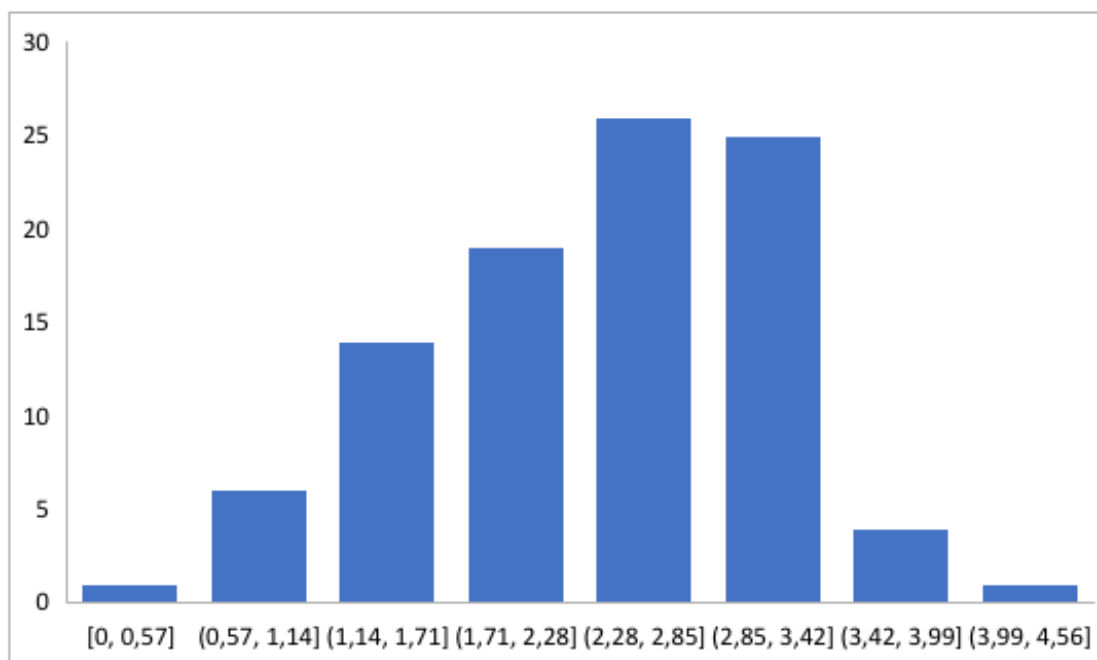
Graph 5. Distribution of portfolio transaction costs⁷⁵

The graph shows the opposite allocation. The axis of the ordinate is still the same, only the percentage regarding the cost incidence changes. Although one product presents an expenditure different from zero, we can assume that, generally speaking, this type of cost does not impact the other costs as a whole.

Taking into account the other costs, as part of the ongoing costs, the comparison of these was the most complicated because, more or less, each specific account presents a different amount. Considering that these are the costs

⁷⁵ The graph shows the portfolio transactions costs incidence among all the funds in questions. All data regarding each one, are reported in greater detail in the Appendix.

linked to the investment maintenance and those that strongly influence the total costs, different results will emerge.



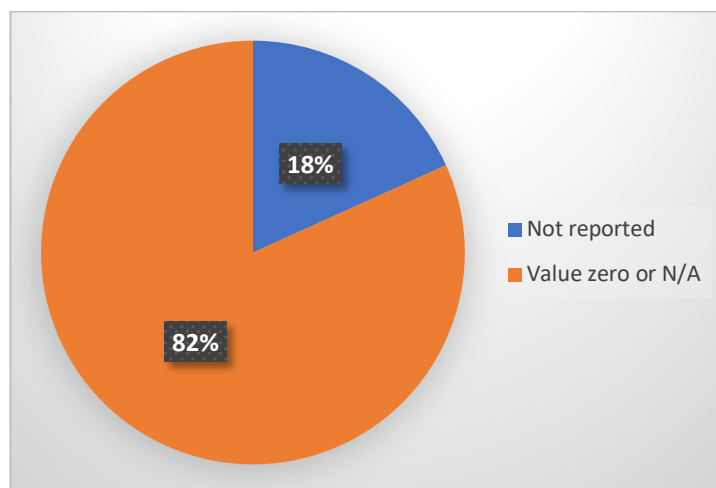
Graph 6. Other ongoing costs distribution⁷⁶

The graph above does not allow us to understand the detailed percentage of costs because, as said before, there are more than one hundred different amounts. But, at the same time, it gives an idea of how these costs are similar. Considering the number of KIDs compared and the percentage of impact costs, the result is that this type of cost fluctuates from 0,7% and 3,7%. Comparing this value with the results found before, undoubtedly this category is that one that influences costs as a whole and, consequently, the investors choices as well.

Finally, the last classification concerns incidental costs, divided into performance fees and carried interest respectively. Of these, this comparison was the easiest because, for all KIDs, it was always equal to zero for both types of costs. Only one difference emerges that regards the way used to represent it. Despite the fact that this category is provided for in the regulation, some

⁷⁶ The scatter chart illustrates how other going costs compared among all the key information documents are distributed. All data regarding each one, are reported in greater detail in the Appendix.

companies decide to completely omit it, others report a zero value and others say it is not applicable. The result of these different ways is the following:



Graph 7. Incidental costs.⁷⁷

Contrary to cases where each type of costs had a specific graph representation, here we have only a pie chart showing both incidental costs. Despite the regulation, in order to guarantee a certain level of transparency, imposed to disclose all the cost categories to follow, here the number of KIDs that does not report this cost classification is consistent.

In conclusion, the KIDs comparison on costs allowed me to observe how costs perform differently. What has been interesting to see is that, although these differences are linked to the products or their specific funds, all the values are similar.

4.2 Similar products in comparison

One of the main aims of the KID implementation consists of transferring to the retail client all information he/she needs to conclude an investment contract. Considering the type of products in question and the potential results, an investor's attention is particularly on performance scenarios and the amount of costs that he/she will have to face during the detention period. The KID is a

⁷⁷ The chart shows how the incidental costs, both performance fed and carried interests, are reported in each key information document. All data regarding each one separately are reported in greater detail in the Appendix.

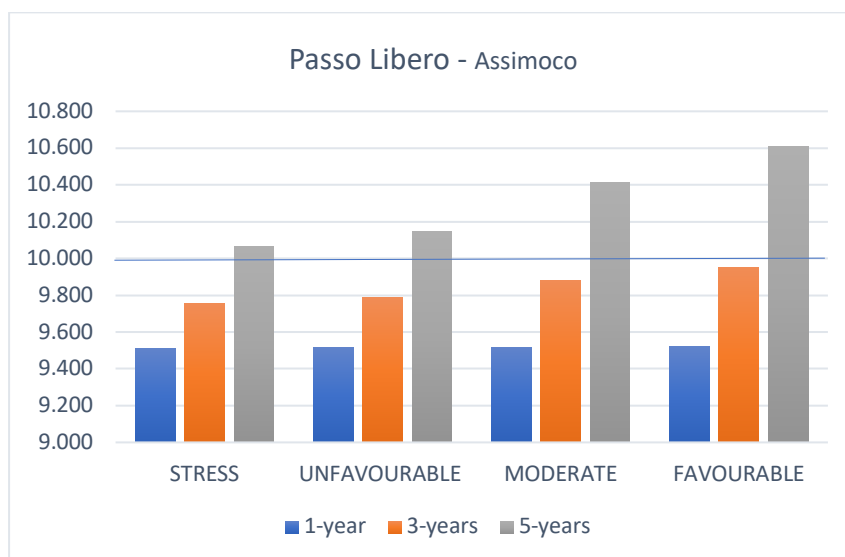
useful tool to obtain all the information regarding these issues in order to be able to compare products values and make the best investment choice.

One can make a numerical comparison, also through a graph representation, of the same type of products issued by different companies but having common elements like the classification, the holding period suggested, the risk level and the notional amount.

4.2.1 «Ramo I» products

A first comparison of all the analyzed products shows that the «ramo I» products regard two different policies - «*Passo Libero*» and «*Penso a Te*» issued by Assimoco (ICCREA group) and Intesa SanPaolo Vita, respectively. Some common elements are the minimum level of risk equal to one, the minimum detention period suggested that corresponds to five years, the single premium and the hypothesized initial capital of €10.000. What can one observe when comparing the performance and costs sections of each specific key information document?

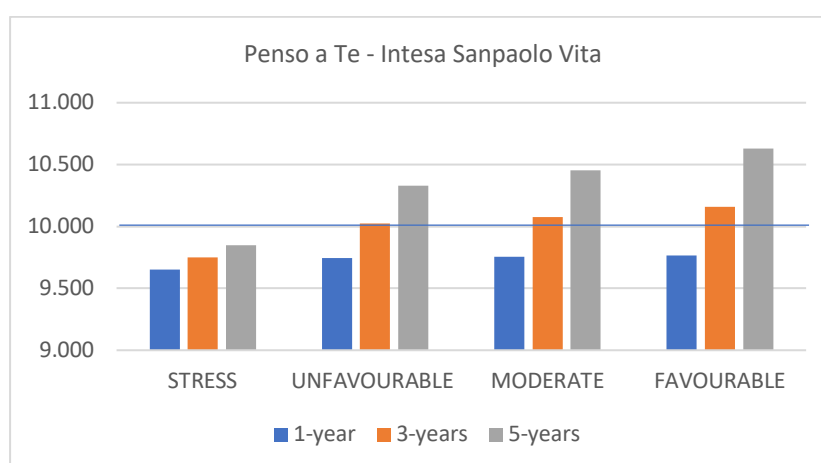
Starting with a comparison between performance scenarios and taking into account the common features mentioned above, we find different results for each product in question.



Graph 8. Performance scenarios based on fixed-terms ⁷⁸

⁷⁸ The graph is the result of the combination between performance scenarios and three possible terms provided by the key information document of the product *Passo Libero*, issued by Assimoco. All data are reported, in greater detail, in the Appendix.

As it is possible to observe in the bar chart, *Passo Libero* is a product showing approximately, for each scenario, the same loss at the end of the first year. A slight increase characterises all the performances during the third period but the impact is also negative with respect to the initial amount. In closing, at the end of the period suggested, in a stress scenario too, the initial amount is guaranteed. This can be viewed as a key factor for the investor because, whatever the market trend, the amount at the end of the recommended period is at least equal to the initial one. The same does not happen within the *Penso a Te* product where the performance is differently distributed as reported in the following diagram:

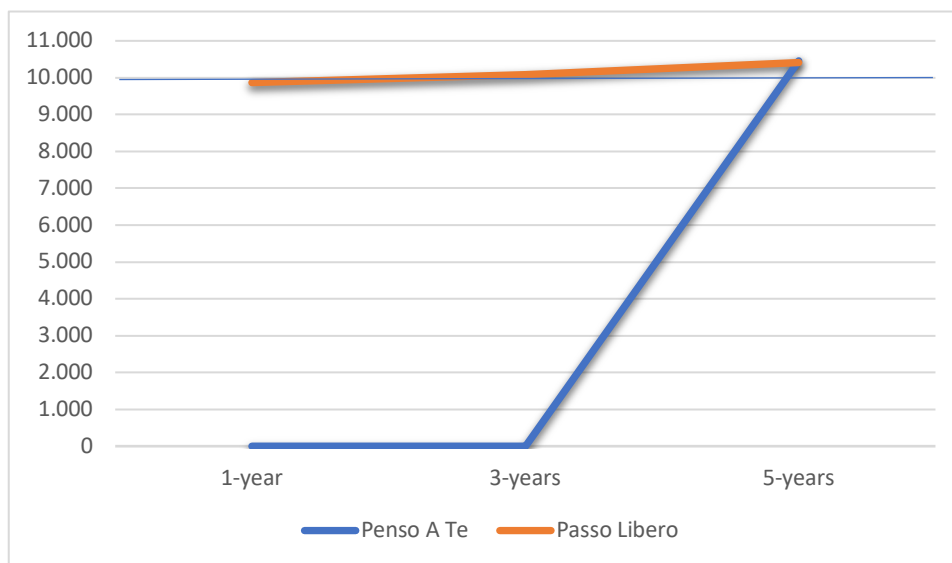


Graph 9. Performance scenarios based on fixed-terms⁷⁹

In this case, whatever the stress scenario, the final amount is not equal to the initial one but always lower. Vice versa, performance starting from the third year is to be taken into account because the final amount is at least equal to the capital invested and, then, it increases over time. Remaining within the same performance field for this type of policies, also a death scenario is also forecasted. In the comparison here in exam, this can be viewed as a risk element because, of all conditions, a reimbursement is not planned in the case of death at the end of the first and third year but only at the end of the detention suggested.

⁷⁹ The graph is the result of the combination between performance scenarios and three possible terms provided by the key information document of the product *Penso a Te*, issued by Intesa San Paolo Vita. All data are reported, in greater detail, in the Appendix.

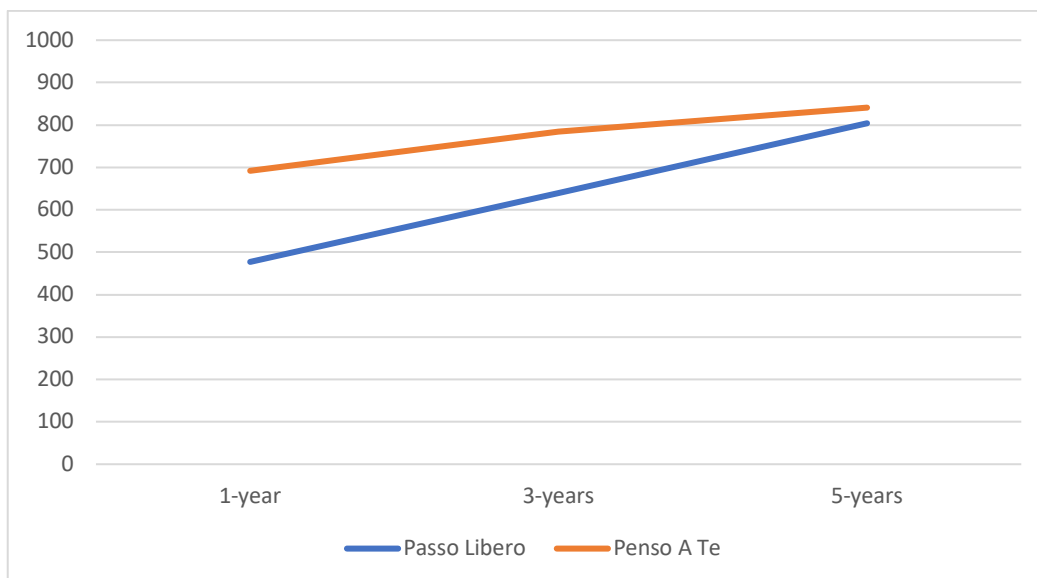
Here the difference:



Graph 10. Possible refund value toward beneficiary⁸⁰

As reported in the graph 3, the results of the products are extremely different. While Assimoco pays attention to this scenario already at the end of the first year with a minimum loss corresponding to a couple of hundred euros and maintains the same further refund till the end of the third year, by Intesa Sanpaolo Vita is not concerned at all. The change has an effect from the fourth year, in order to reach more or less the same amount invested at the fifth year. But in an evaluation of products, results do not derive just from performance. Another key element to evaluate refers to costs. What are the costs imposed by the agreement and where are they attributable? The following representation shows how much the costs impact on the investment.

⁸⁰ The graph summarizes the two scenarios reported in each key information document in the event of death event for the two products in question. All data are reported, in greater detail, in the Appendix.



Graph 11. Costs incidence⁸¹

In both cases, costs increase. The costs to face the first year are lower for the product issued by Intesa Sanpaolo Vita. That means the impact of the reduction in yield as indicator of the impact of total costs on the achievable performance that lower will also be lower.

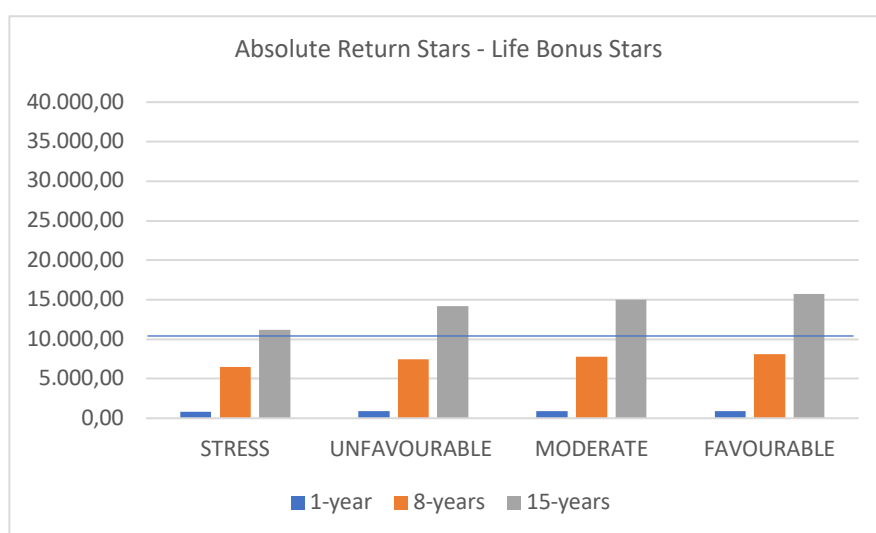
In conclusion, receiving only a part of the information normally contained in the KID, the opportunity to make a detailed comparison between products and make a choice is still possible. The study of these products is interesting because it allows us to observe how policies with numerous common elements, can lead to different results deriving not only from market trends but also from conditions established by manufacturers on cost distribution rather than on a death scenario. In the first case, the choice regarding the investment product is not only linked to the numerical value but also to the behavior of each investor in deciding whether to pay more attention to higher performance, not considering a loss in a possible death scenario. Or, vice versa, they can choose a product with a lower level of performance but a certain amount guaranteed to recipients in the case of death event.

⁸¹ The graph summarizes a comparison among total costs of the two products in question, considering also the reduction in yield. All data are reported, in greater detail, in the Appendix.

4.2.2 «Ramo III» products

Differently from «ramo I» products, where each product had only one KID, the comparison regarding «ramo III» products becomes more complex because several KIDs are the available, considering all the funds in placement.

Given the high number of investment funds offered by CNP UniCredit Vita, this time the comparison will be on the same unit-linked product having the investment part in two different internal funds, showing extremely different performance. Common elements are only the recommended holding period corresponding to fifteen years and the notional amount of €10.000. The key factor that will influence the performance scenarios is the level of risk; while in the first fund it is low (level two), in the second one it is exactly double, equal to four. Why do the estimated performance results take into account only this risk difference?

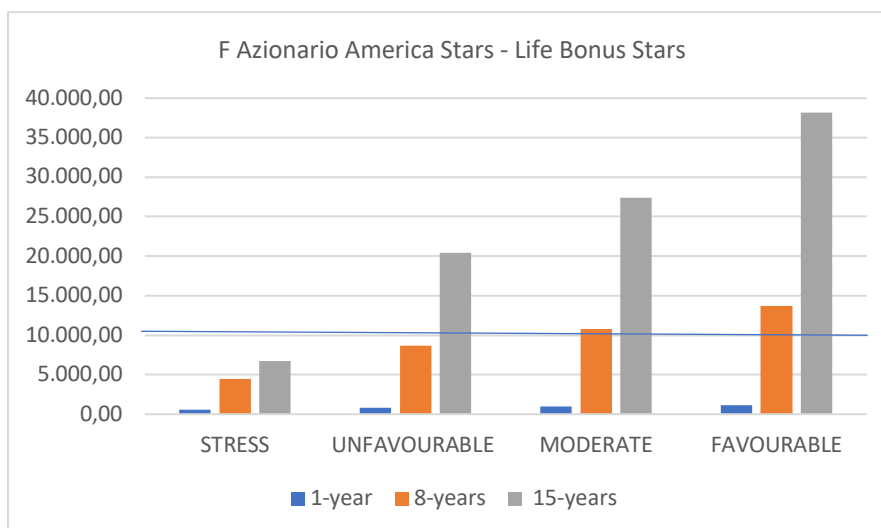


Graph 12. Performance scenarios based on fixed-terms⁸²

All performance deriving from a lower level of risk presents, more or less, the same trend over time. From this graph it may be difficult to understand the value for each scenario at the end of the year indicated because it is even lower than the initial amount. Positive results are only within the favourable scenario, at the end of the eighty year and at the conclusion of the recommended detention

⁸² The graph is the result of the combination between performance scenarios and three possible terms provided by the key information document of the product *Life Bonus Stars*, evaluated within the Absolute Return Stars, issued by CNP UniCredit. All data are reported, in greater detail, in the Appendix.

period. It means that this product should would seem convenient only when a certain probability to have a favourable scenario occurs. On the other hand, increasing the risk level, how may the performance change? Here are the representation results estimated below.



Graph 13. Performance scenarios based on fixed-terms⁸³

In this case, as reported from the Graph 6, performance is extremely higher especially at the end of the suggested fifteen years. The first main difference is in the stress scenario where the loss is always about twice that of the previous fund. The second difference is in the positive returns. Focusing on the stress, unfavourable and moderate events and evaluations at the end of the first year where losses are common, all the scenarios present significant positive trends. Finally, the top result is for the favourable scenario where the amount is always more than 10% of the capital invested, whereas in the previous fund it was lower than 1%.

This comparison can be taken as a good example because it allows us to highlight how the level of risk can influence the performance of different funds belonging to the same products and, consequently, the choice of product in which one invests. Remaining within the risk field, it is important to consider

⁸³ The graph is the result of the combination between performance scenarios and three possible terms provided by the key information document of the product Life Bonus Stars, evaluated within the F Azionario America Stars, issued by CNP UniCredit. All data are reported, in greater detail, in the Appendix.

the reimbursement only in case of death event. For the investor, not the market, what is the risk of a death occurring during the policy? The graph presents the amount due to the recipient.

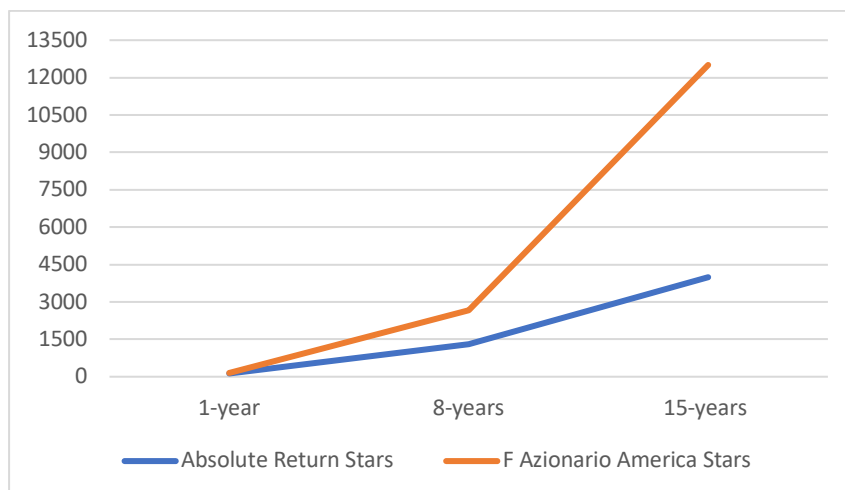


Graph 14. Possible refund value toward beneficiary⁸⁴

As it is possible to observe in the graph, the starting point is approximately the same. If the event occurs after the second year of detention, different amounts are provided for. Already at the end of the eight-year period, *F Azionario America Stars* shows a higher value. This one grows remarkably till the end of detention, where the amount is nearly double the other fund.

Moving to incidence of total costs, as it is possible to see in the graph, two different situations appear. Although costs seem to be close to zero, if we take into account the notional amount and the return on yield, they are very high. In the middle of the detention period, they are apparently different as amounts but very close if the evaluation refers in detail to the RIY. Finally, in the last section, two directions appear. The result at the end of the holding period shows a level of costs that, in the case of *F Azionario America Stars*, is two times the value of the other fund.

⁸⁴ The graph summarizes the two scenarios reported in each key information document in case of death event for two funds in question. All data are reported, in greater detail, in the Appendix.



Graph 15. Costs incidence⁸⁵

In conclusion, which is the best choice for a potential investor? Surely the risk represents a key factor in evaluating numerous funds available. But this is not all because, in particular when it is so high, also some personal features of the investor are to be considered and the key information document should be a helpful instrument in making both types of considerations.

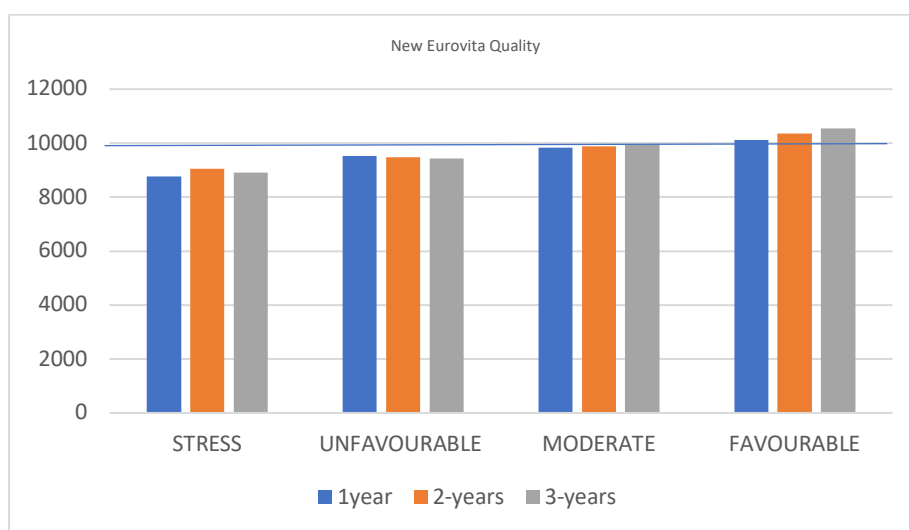
4.2.3 «Multiramo» products

The comparison among composite products may be the most complicated considering the connection with numerous funds and possible combinations. Moreover, it is difficult to have all the available data because in most cases only the general KID discloses information and, for further ones on the fund chosen, there is a specific KID provided directly by the professional according to the selection made. In response to these factors, too, in this section we will analyze two products, issued by ICCREA through *Eurovita*. The choice is not random but linked to the short time horizon of three years, the level of risk and the presence of an insurance rate assumed to be other than zero.

Both products in exam have a suggested short detention period, with a medium-low risk value equals to three, a notional amount of €10.000,00 and the same participation (in different percentages) in one of two funds. What is different for all the products studied in our analysis, is the premium. In general,

⁸⁵ The graph summarizes a comparison among total costs of the two funds analyzed, considering also the reduction in yield. All data are reported, in greater detail, in the Appendix.

it is always supposed to equal zero; but here it amounts to €5,00. The reason does not follow a specific rule but is imposed by the company as additional costs to apply in case of death. Considering that normally it represents the amount and the regularity of the payment, in our case it does not influence performance because it is based on the net initial capital⁸⁶. Here below is the first representation of the performance for the first products.



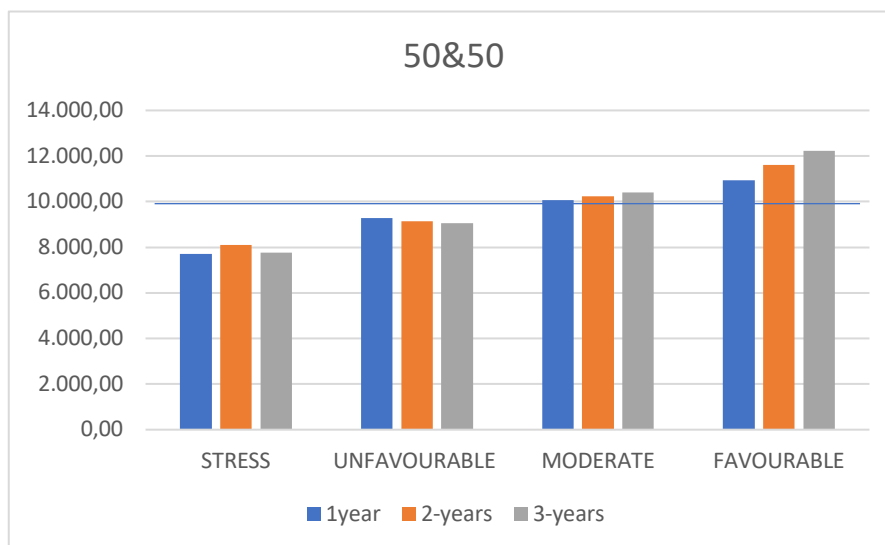
Graph 16. Performance scenarios based on fixed-terms⁸⁷

Following the trends in the graph above, an investment in this product does not represent a good solution because all the first three scenarios give a negative result. Keeping in mind also a level of risk equal to three, for the investor, what is the probability of having a favourable scenario and, consequently, a positive return? The KID can provide some information but, in this case, the ability of the professional to know market performance is important and, therefore, recommended to the investor.

Changing products but remaining in part of the same fund, different results appear:

⁸⁶ The initial capital is net from all costs faced by the investor for the management of the new policy and other further costs linked to it.

⁸⁷ The graph is the result of the combination between performance scenarios and three possible terms provided by the key information document of the product *New Eurovita Quality*, issued by *Eurovita*. All data are reported, in greater detail, in the Appendix.

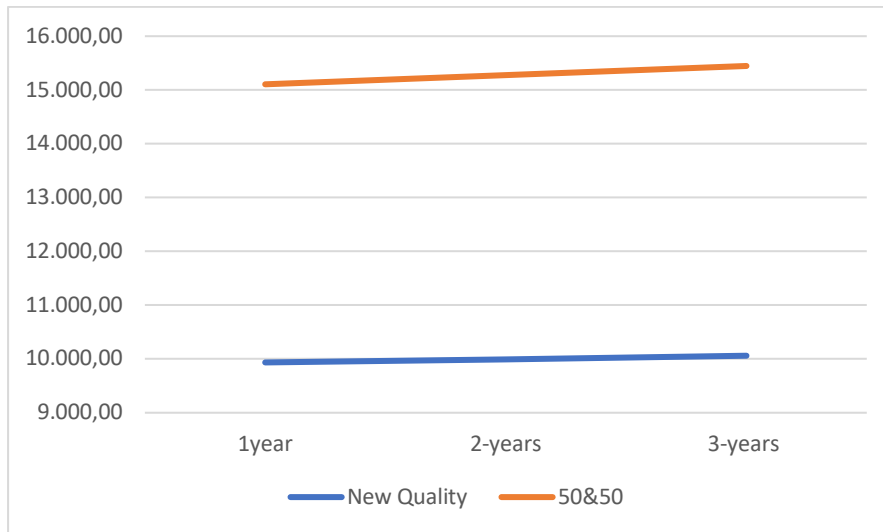


Graph 17. Performance scenarios based on fixed-terms⁸⁸

In this graph, positive returns are already achievable from the moderate scenario. This may be a good reason for choosing this investment because the moderate scenario is generally considered the most likely. Consequently, the values regarding the favourable one will be higher than for the previous product.

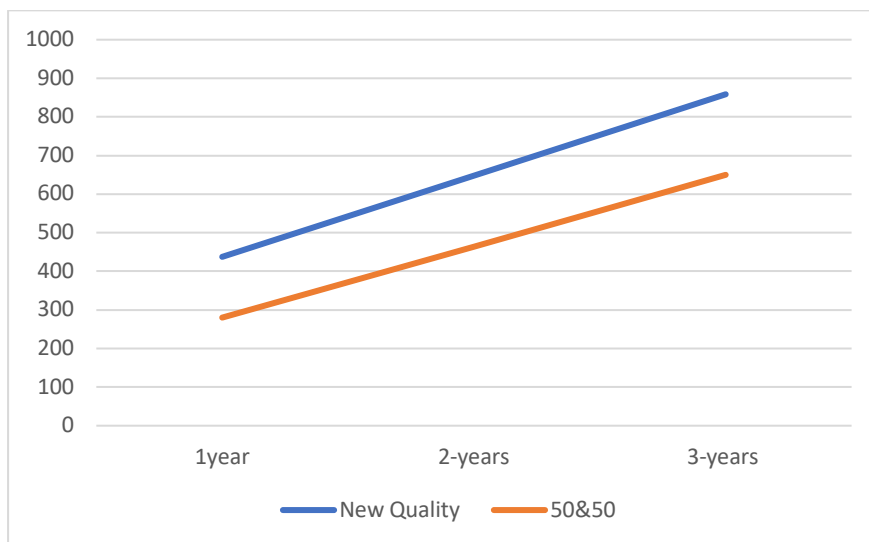
Proceeding with the analysis of a death scenario, despite the timing in question the trend is more or less the same; here too the amounts are extremely different. While for *New Eurovita Quality*, the reimbursement is slightly lower than the initial amount and later increases, for *50&50* the initial capital is recovered already at the end of the first year, with an additional fifty percent. And, a slight increase is forecasted in the following year as well.

⁸⁸ The graph is the result of the combination between performance scenarios and three possible terms provided by the key information document of the product *50&50*, issued by *Eurovita*. All data are reported, in greater detail, in the Appendix.



Graph 18. Possible refund value toward beneficiary⁸⁹

Until now, considering the information given by each KID, the best investment regards the *50&50* product. Can an analysis of the total costs influence one's choice? The result of the cost incidence, based also on the return in yield, is as follows:



Graph 19. Costs incidence⁹⁰

⁸⁹ The graph summarizes the two scenarios reported in each key information document in case of death event for the two products in question. All data are reported, in greater detail, in the Appendix.

⁹⁰ The graph summarizes a comparison among total costs of the two products analyzed, considering also the reduction in yield. All data are reported, in greater detail, in the Appendix.

As you can see in the graph, two products show the same trend over time. The difference is only on the quantity. Once again, the second product turns out to be the best one, also within the costs section.

The result of the comparison of several products, also through graphic representations, gives potential investors the possibility to receive a lot of facts, mainly deriving from each key information document. But is this enough to make the best choice or should other elements be taken into account? Some objections to the KID use are to be considered.

4.2.4 Expected results

The analysis of more than one hundred KIDs issued by several insurance companies allowed to find relevant differences particularly in the performance field, considering products having at least two common elements.

Of these, only those where certain values particularly characterized the product in question were chosen for each category. The creation of related graphs on the major key factors of an investment like performance, death scenarios and total costs incidence, represents another way to translate data reported in the information document. The result is satisfactory because, however these values will be analyzed, they allow one to take a decision.

But the numerical data on market trends are based on historical behavior or benchmarks especially when the product is so recent. It means that there is a certain level of probability that those values will happen again but, at the same time, opposite events can occur.

In conclusion, the key information document can be an excellent guideline to take decisions but, at the same time, some features of the actual market and of potential investors have to be considered. It is the task of each professional involved to know and point out all the potential policy features in order to match investor needs and products able to satisfy them.

4.3 Frequent Q&A on the KIDs

As already mentioned in the previous chapters, the implementation of the KID created some gaps for manufactures and professionals. Major doubts arise when the law permits a certain autonomy or whenever a general concept is used in a

broad way. Therefore, what are the major uncertainties? They are numerous. This report will not follow a certain order of importance but will try to show the standard layout of the KID. It is clear that only those sections where some doubts emerged will be the object of the analysis.

Starting from its aim, the European regulation imposed the use of a standardized phrase affirming that «the KID is not a promotional document. » This is not true for all of them because there are banking groups like UniCredit that affirms that, vice versa, it will be considered a useful tool with the aim to establish a promotional relationship with the potential client.⁹¹ In a certain sense, this interpretation is correct because to the potential investor different KIDs are offered to the potential investor so he/she can compare them and make the best choice. Therefore, the result is a different way to advertise different products available.

Following with the product's description, a question emerges on the date: Does it refer to disclosure or to the latest update of the document? A distinction should be made between the one regarding the document 'fulfillment' and the other based on the 'calibration'. The first refers to the day in which the document becomes effective and it is distributed to clients. The second one refers to the time when all computations on performances and costs have been done (normally at least one month before the entry in force of the KID).

Moving to the section on investor details, all main characteristics that he/she should have, must be reported. Sometimes, they are not only included in this appropriate section but also within the product description. There are four major common features necessary: the level of economic and financial knowledge and experience, the capability to face further losses, the risk aversion and objectives and needs of the client. Normally they are simply described or classified on a general level. In doing this the interpretation becomes subjective because there are no specific standards able to define exactly the features of each client. What should the solution be in order to have similar description requirements among companies? A helpful tool is the guidelines issued by ESMA that, in the field of the MIFID II, has established all the features of a client profile in relation to

⁹¹ All explanations are reported in the guidelines issued by the banking group, KID – key information document. Gestione operativa e spiegazioni KID, CNP Vita partner Unicredit, 2018.

different types of financial instruments. If this suggestion were imposed by law or strongly recommended, a certain homogeneity would be achieved.

Finally, comparing the part on numerical data, some questions arise on the level of risk assigned and performance scenarios. As we explained in the previous chapter, the level of risk is the result of the combination between the market and credit risk. Only a single number is published in the KID, but nothing is explained about how of each type of risk was calculated. By doing this, some discrepancies can emerge when the value is compared with the risk profile contained in the general informative set. The reason is because of the different settings imposed by law in the indicators' calculation. This double and misleading information gets the investor confused. A new regulation or decree will be necessary to bring about a common computation method.

Going on with the performance scenarios, here there is a doubt on the insurance premium. In the KIDs analyzed, at least 90% of the products have a premium equal to zero or not reported at all. Why this difference? The answer depends on a choice of the company. When the premium corresponds to zero, it means that the investor does not pay a further premium for insurance performance; therefore, having life insurance policies, all costs for death events are already included in the management commissions. But there are cases in which a company can ask a further deposit to cover some additional costs linked to certain events. Also this point can create confusion to the investor especially when KIDs regarding several products and/or businesses are compared.

The analysis of certain sections in more than one hundred KIDs attached in the Appendix has allowed to observe or think about these discrepancies. Only a detailed normative, at least at the national level, will be able to guarantee uniformity and coherence in comparing the information documents. Nowadays, a guideline reporting the major topics in discussion has been issued by the Joint Committee of the European Supervisory Authority⁹², with the aim to help professional to cover their shortcomings in the field.

⁹² The guidelines suggested by the Joint Committee of the European Supervisory Authority are contained in «*questions and answers (Q&A) on the PRIIPs KID – Commission Delegated Regulation (EU) 2017/653*», 20 November 2017

4.4 Is KID implementation still an open question?

Exactly one year ago, KID implementation became mandatory in Italy. Even with uncertainties and continuous adjustments, can the KID be considered a useful tool for both parties involved? What should the major advantages and disadvantages deriving from its implementation be?

According to some associations operating in this field like EFAMA⁹³, there are some flaws regarding the information reported, particularly in those descriptions of performance scenarios and costs. Given the use of different methods to estimate these elements within the KIDs and the 'set' of general information, there is a risk of damaging investors because data can be calculated differently. For this reason, some results appear different or overlapping. In addition, some values become unreliable because calculations are the result of estimations based on historical values and/or particular benchmarks. The association has requested intervention at the European level because, continuing with things the way they are now, professionals go against one of the most important principles of the European law states that information must be clear, correct and non-misleading or damaging to investors.

On the other hand, manufacturers have raised a consideration on timing and costs. The KID implementation requires a lot of time dedicated to all its stages. And this aspect translates into higher costs that each business has to face along with other additional expenditures deriving from professional interventions and/or the KID's delivery. It will be the duty of each business, based on its type of client and internal management, to pay attention to costs through specific key performance indicators linked also to recent environmental and social objectives.

The last negative aspect regards the need to have more homogeneity imposed by the European Union. If each member country has the possibility to independently manage certain aspects and thereby to create heterogeneous competition among products and distribution channels, it could create further barriers within the market. At the same time, a higher level of standardization goes against the 'arm's length' principle. When products are similar, if they are

⁹³ EFAMA is the acronym of the European fund and asset management association operating with other associations, at the European level, in the field of the investment management industry.

summed up in a certain higher standardized way, they become identical and comparisons would no longer be permitted.

On the other hand, several advantages derive from this implementation. The information document should be viewed as an opportunity and not a constraint. Within a market when complexity is steadily increasing, a higher level of protection is needed for both parties involved. In order to create accuracy and transparency, considering that nowadays clients are increasingly empowered, the KID can be the solution as an instrument able to satisfy all the investors' needs and permit them to invest in a product that responds, as much as possible, to their features and demands.

In conclusion, there are no specific advantages and disadvantages but only different interpretations of the issue. Undoubtedly, especially for investors, the information document can represent an innovation if we think about the pre-contractual documentation of more than a hundred pages used up until now. Considering only one year of application, there are no particular results yet because we are still in a development period. This is the reason why, if we think about the KID as a useful tool, we do not have specific solutions but the argument remains an open question.

CONCLUSION

What stands out from this thesis is that the introduction of the EU KID regulation appears as an innovative tool within the market to help investors to understand and compare all products in placement before signing agreement. In this new situation, the role of manufacturers and professional has assumed a relevant importance. Through the law's content and the regulation technical standards, legislators want to guarantee a certain level of standardization at both European and national levels with the aim to reconcile investors and regain their trust after the financial crisis.

The choice of three banking groups with different target clients and ways of working in the insurance field, allowed me to make a comparison of several aspects regarding the KID. Furthermore, an analysis based on the content of more than one hundred information documents made it possible to observe how numerous differences emerge considering all the KIDs selected or only those that have particular features. In general, the majority observations concern products similar but issued by a different company and/or in different investment funds or from the study of the variety of results that can be found even when only one key element of the policy rather than a funds combination influence all the performance scenarios and related costs.

The results deriving from some analyses done, had permit me to reach several conclusions. Starting from the standardization as key element of the regulation, it has been observed that each company follows the template imposed by law but and, at the same time, adopts different ways to disclose the content. And, especially when they have to compare a lot of documents issued by different companies, this represents a disadvantage because it does not permit a uniform and quickly evaluation. On the other hand, thinking about the previous informative set composed by more than hundred pages, undoubtedly the KIDs represent an important innovation for both parties involved but, investors in particular, have the knowledges to interpret the information reported? And professionals are able to understand the features of the potential investors in order give suggestions and further useful information? A certain level of relevance in the introduction of this instrument is still not given. In general, investors are not enough informed about it and, on the other hand, professionals

are not still well experienced in using it. This is the reason why, in my opinion, the entry into force of the KID for some aspects does not still appear as something revolutionary. Proceeding with the analysis and comparison of certain data related to the products and funds, different results emerged despite a lot of common features are shown. Furthermore, considering that all values has been computed referring to historical values and/or estimations and the market trends change frequently, how much they are reliable for the investors given that, normally, they look for a long-term investment? Given that potential investors are non-professionals, how they interpret all the data reported? It is true that the key information document summarizes the most important information of the investment but, in doing this, it will be difficult to understand all data reported especially when they must be compared because, often, the figurative impact can be misleading. And, this happens especially when the comparison is among performance scenarios and total costs incidence. Here the data reported are very numerous and, at the same time, computed considering different features of the investments in question. For this reason, a certain level of knowledges and experience in the field will be required or supported by professionals.

Other relevant observations from the study concerns the variety of results that can be found even when only one key element of the policy rather than a funds combination influence all the performance scenarios and related costs.

It is possible to see, although this thesis focuses only on life-insurance products, that the PRIIPs regulation and relative KID implementation cover a wide range of products. The introduction of these new rules represents an important step in order to guarantee a certain homogeneity within the market. This uniformity is the crucial element able to guarantee comprehension and comparison among numerous products that the investor is interested in.

Therefore, the KID implementation represents a helpful instrument for both parties involved. Whereas for investors it allows them to make the best choice within the field in question, for manufacturers and professionals some doubts emerge.

Which are other advantages and disadvantages that will be the result of the adoption of this document? Can it be considered a useful tool in the market despite some incongruities are emerged?

As it is possible to observe, different interpretations and considerations are arising continuously. It is clear that, after only one year from the entry into force, it is difficult to have specific answers because these twelve months can be viewed only as a trial period. Also for this reason the implementation and its effects still remain an open question.

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APPENDIX A. ICCREA life-insurance products

ARCA VITA S.p.A.

OSCAR INVESTI SICURO

Premio unico	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo I	1	ONE-OFF Costs		€ 9.664,76
		Entry Costs	0,52%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,30%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

ASSIMOCO Vita S.p.A.

DUO ASSIMOCO

DUO 50 Prudente	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 9.715,00
		Entry Costs	0,47%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,42%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
DUO 50 Dinamico	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 9.773,00
		Entry Costs	0,39%	
		Exit Costs	0,00%	
		ONGOING Costs		

		Portfolio costs	0,00%	
		Other ongoing costs	1,93%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
DUO 50 Equilibrato	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 9.717,00
		Entry Costs	0,47%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,67%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

MULTI ASSIMOCO				
Fondo Prudente	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 10.452,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,69%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Fondo Equilibrato	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 10.526,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,15%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
		Carried Interests	N/A	
Fondo Dinamico	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 10.706,00

		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,59%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

TRIPLO ASSIMOCO - Premio unico				
Fondo Prudente	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 10.452,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,69%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Fondo Equilibrato	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 10.526,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,15%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Fondo Dinamico	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 10.706,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,59%	
		INCIDENTAL Costs		

		Performance fees	N/A
		Carried Interests	N/A

TRIPLO ASSIMOCO - Premio periodico limitato				
Fondo Prudente	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 1.045,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,69%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Fondo Equilibrato	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 1.053,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,15%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Fondo Dinamico	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 1.071,00
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,59%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

SOGNI SICURI				
Ramo I	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	1	ONE-OFF Costs		€ 1.870,00

		Entry Costs	0,95%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,20%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

PASSO LIBERO

Ramo I	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	1	ONE-OFF Costs		€ 9.522,00
		Entry Costs	0,48%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,10%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

EUROVITA S.p.A.

NEW EUROVITA QUALITY

75% Euroriv 25% Global100	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	1	ONE-OFF Costs		€ 9.874,49
		Entry Costs	0,74%	
		Exit Costs	0,11%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,74%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
75% Euroriv 25% Opportunità Crescita	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	1	ONE-OFF Costs		€ 9.806,67
		Entry Costs	0,73%	
		Exit Costs	0,11%	
		ONGOING Costs		

		Portfolio costs	0,00%	
		Other ongoing costs	1,65%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
50% Euroriv	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
50% Global100	1	ONE-OFF Costs		€ 9.952,74
Multiramo		Entry Costs	0,70%	
		Exit Costs	0,11%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,07%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
50% Euroriv	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
50% Opportunità Crescita	1	ONE-OFF Costs		€ 9.817,10
Multiramo		Entry Costs	0,69%	
		Exit Costs	0,11%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,90%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
25% Euroriv	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
75% Global100	1	ONE-OFF Costs		€ 10.030,99
Multiramo		Entry Costs	0,66%	
		Exit Costs	0,11%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,39%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
25% Euroriv	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
75% Opportunità Crescita	1	ONE-OFF Costs		€ 9.827,54
Multiramo		Entry Costs	0,65%	
		Exit Costs	0,11%	
		ONGOING Costs		
		Portfolio costs	0,00%	

		Other ongoing costs	2,14%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

SMART				
Capitalizzazione	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	1	ONE-OFF Costs		€ 9.656,77
		Entry Costs	0,10%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,14%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Cedole annuali	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	1	ONE-OFF Costs		€ 9.655,13
		Entry Costs	0,10%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,09%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Cedole semestrali	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	1	ONE-OFF Costs		€ 9.654,30
		Entry Costs	0,10%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	0,87%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Cedole mensili	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	1	ONE-OFF Costs		€ 9.653,60

		Entry Costs	0,10%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,03%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

Forza 15 Premium				
Multiramo	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	1	ONE-OFF Costs		€ 9.862,55
		Entry Costs	0,51%	
		Exit Costs	0,07%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,20%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

50&50				
Multiramo	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	3	ONE-OFF Costs		€ 10.055,54
		Entry Costs	0,17%	
		Exit Costs	0,16%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,82%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

GROUPAMA S.p.A.

INVESTISI Doppio Valore				
Moderato Easy	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 9.897,02
		Entry Costs	0,31%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,56%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Moderato Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 9.940,04
		Entry Costs	0,31%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,56%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Equilibrato Easy	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 9.920,65
		Entry Costs	0,26%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,64%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Equilibrato Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 9.992,53
		Entry Costs	0,26%	
		Exit Costs	0,00%	
		ONGOING Costs		

		Portfolio costs	0,00%	
		Other ongoing costs	1,63%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Dinamico Easy	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 9.944,28
		Entry Costs	0,21%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,71%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Dinamico Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 10.045,16
		Entry Costs	0,21%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,70%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

INVESTISI Doppio Valore Pac				
Moderato Easy	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 942,50
		Entry Costs	0,28%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,85%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Moderato Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 946,63
		Entry Costs	0,28%	
		Exit Costs	0,00%	

		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,84%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Equilibrato Easy	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 946,93
		Entry Costs	0,27%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,94%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Equilibrato Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 953,83
		Entry Costs	0,27%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,92%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Dinamico Easy	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 951,37
		Entry Costs	0,26%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,02%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Dinamico Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 961,06
		Entry Costs	0,26%	
		Exit Costs	0,00%	
		ONGOING Costs		

		Portfolio costs	0,00%	
		Other ongoing costs	3,00%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

INVESTISI Capitale Sicuro				
Ramo I	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	2	ONE-OFF Costs		€ 9.506,56
		Entry Costs	0,66%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,49%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

ITAS Vita S.p.A.

VENITAS 14UB18				
Gestione garantita	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo I	1	ONE-OFF Costs		€ 9.588,80
		Entry Costs	0,31%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,30%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

APPENDIX B. INTESA SANPAOLO life-insurance products

INTESA SANPAOLO Vita S.p.A.

BASE SICURA TUTELATI				
Ramo I	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
		2	ONE-OFF Costs	
		Entry Costs	0,31%	
		Exit Costs	0,06%	
		ONGOING Costs		
		Portfolio costs	-	
		Other ongoing costs	1,29%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

PENSO A TE				
Ramo I	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
		2	ONE-OFF Costs	
		Entry Costs	0,31%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	-	
		Other ongoing costs	1,30%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

ISV TU DOPO DI NOI				
Ramo I	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
		2	ONE-OFF Costs	
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	-	
		Other ongoing costs	0,98%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

APPENDIX C. UNICREDIT life-insurance products

UNICREDIT CNP Vita				
UNIBONUS Mix				
CNP F Crescita Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	4	ONE-OFF Costs		€ 923,94
		Entry Costs	0,70%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,35%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Inflazione Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 872,93
		Entry Costs	0,70%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,35%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Strategia Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 893,04
		Entry Costs	1,20%	
		Exit Costs	0,50%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,38%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP Garantito	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 882,19
		Entry Costs	0,89%	

		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,19%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

LIFEBONUS Stars				
CNP Absolute Return Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 899,72
		Entry Costs	0,73%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,18%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Azionario America Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 964,71
		Entry Costs	0,67%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,60%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Azionario Emergenti Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 922,03
		Entry Costs	0,70%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,38%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Azionario Europa Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 941,48

		Entry Costs	0,69%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,25%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Equity&Credit Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 936,59
		Entry Costs	0,69%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,82%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Crescita Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 936,41
		Entry Costs	0,69%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,39%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Obbligazionario Euro Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 907,36
		Entry Costs	0,77%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,21%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Obbligazionario US Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 903,26
		Entry Costs	0,72%	

		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,43%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Strategia Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 905,10
		Entry Costs	0,72%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,50%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

UNIBONUS Strategy				
CNP Absolute Return Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 887,74
		Entry Costs	0,75%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,18%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP E Azionario Internazionale	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 940,18
		Entry Costs	0,71%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,25%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP E Strategia 30	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE

Ramo III	2	ONE-OFF Costs Entry Costs Exit Costs	0,76% 0,00%	€ 877,70
		ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,00% 2,25% N/A N/A	
CNP E Strategia 50	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs Entry Costs Exit Costs ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,75% 0,00% 0,00% 2,49% N/A N/A	€ 893,35
CNP E Strategia 70	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs Entry Costs Exit Costs ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,74% 0,00% 0,00% 2,54% N/A N/A	€ 900,94
CNP Equity&Credit	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs Entry Costs Exit Costs ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,72% 0,00% 0,00% 2,82% N/A N/A	€ 924,12
CNP F Azionario Europa Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 928,95

		Entry Costs	0,71%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,25%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Crescita Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 923,95
		Entry Costs	0,72%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,39%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Inflazione Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 872,93
		Entry Costs	0,77%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,56%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

UNIVALORE Stars				
CNP Absolute Return Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.768,29
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,17%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

CNP Dynamic Protection 80	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.890,34
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,46%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP Equity&Credit Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 10.168,60
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,82%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Azionario America Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 10.473,80
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs		
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Inflazione Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.605,38
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,55%	
		INCIDENTAL Costs		

		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Obbligazionario Euro	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Stars	2	ONE-OFF Costs		€ 9.851,29
Ramo III		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,21%	
		INCIDENTAL Costs		
		Performance fees	N/A	
Carried Interests	N/A			
CNP F Obbligazionario Euro	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
BT Stars	2	ONE-OFF Costs		€ 9.662,06
Ramo III		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,69%	
		INCIDENTAL Costs		
		Performance fees	N/A	
Carried Interests	N/A			
CNP F Azionario Europa Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 10.010,46
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,38%	
		INCIDENTAL Costs		
		Performance fees	N/A	
	Carried Interests	N/A		
CNP F Azionario Emergenti	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Stars	4	ONE-OFF Costs		€ 10.221,71
Ramo III		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,25%	
		INCIDENTAL Costs		

		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Crescita stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 10.166,69
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,39%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Obbligazionario US Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.806,72
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,42%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Reddito Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.746,87
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,28%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Strategia Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.826,67
		Entry Costs	0,00%	
		Exit Costs	0,00%	
		ONGOING Costs		

		Portfolio costs	0,00%	
		Other ongoing costs	2,49%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

UNIOPPORTUNITA' Stars				
CNP Absolute Return Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 9.621,76
		Entry Costs	0,22%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,17%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP E Azionario Internazionale	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 10.190,17
		Entry Costs	0,24%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,25%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP E Equity&Credit Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 10.016,07
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,82%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Crescita Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	4	ONE-OFF Costs		€ 10.014,19
		Entry Costs	0,18%	

		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs		
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Reddito Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 9.600,66
		Entry Costs	0,32%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,27%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Inflazione Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 9.461,30
		Entry Costs	0,32%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,27%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP F Strategia Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	3	ONE-OFF Costs		€ 9.679,27
		Entry Costs	0,31%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,49%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNP Patrimonio Stars	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 9.604,68
		Entry Costs	0,22%	
		Exit Costs	0,00%	

		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,77%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
CNPUNI	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Multiramo	2	ONE-OFF Costs		€ 9.679,90
		Entry Costs	0,22%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,30%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

MY SELECTION				
Amundus Funds II Emerging Markets	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Bond Short Term	3	ONE-OFF Costs		€ 9.239,82
Short Term		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,53%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
JPM Global Bond Opportunities Hdg	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.426,79
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,20%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
DWS Short Duration Credit	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.528,85

		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,51%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
DWS Top Dividend	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.848,99
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,75%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Bond Global Emerging Blended	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.583,51
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,91%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

Amundi Bond Euro High Yield	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Short Term	2	ONE-OFF Costs		€ 9.412,63
Ramo III		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,70%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi First Eagle international	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE

Ramo III	3	ONE-OFF Costs Entry Costs Exit Costs	0,18% 0,00%	€ 9.750,40
		ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,00% 4,19% N/A N/A	
Amundi Funds II Euroland Equity	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs Entry Costs Exit Costs ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,18% 0,00% 0,00% 2,95% N/A N/A	€ 10.021,64
Invesco Global Targeted Return A EUR ACC	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs Entry Costs Exit Costs ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,17% 0,00% 0,00% 2,68% N/A N/A	€ 9.484,70
Gooldman Sachs Global Strategic Macro Bond Portfolio Class E Shares EUR Hedged Acc	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs Entry Costs Exit Costs ONGOING Costs Portfolio costs Other ongoing costs INCIDENTAL Costs Performance fees Carried Interests	0,17% 0,00% 0,00% 3,02% N/A N/A	€ 9.331,28

CRP Invest Global Disruptive Opportunities Class A Acc	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 9.887,72
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,20%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
JPM Investment Funds Europe Strategic Dividend Fund Acc Eur	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 9.883,88
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,86%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Goldman Sachs Emerging Markets Debt Portfolio (Hdg)	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.518,48
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,86%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
JPM US Equity Fund	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
	4	ONE-OFF Costs		€ 12.999,93
		Entry Costs	0,19%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,07%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Funds II Euro Bond	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE

	2	ONE-OFF Costs		€ 9.469,46
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,55%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

Schroeder ISF Euro Govt Bond	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.543,92
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,22%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
PIMCO GIS Global Bond	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 9.422,40
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,91%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Funds II Euro	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Aggregate Bond	2	ONE-OFF Costs		€ 9.477,51
Ramo III		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,32%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

Amundi Funds II Pioneer U.S. Dollar Aggregate Bond	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.559,11
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,55%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
PIMCO GIS Global Investment Grade Credit Fund	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	2	ONE-OFF Costs		€ 9.414,99
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	1,91%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

Amundi Funds II Emerging Markets Bond	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.760,80
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,69%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Funds II Emerging Markets Bond Local Currencies	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.209,31
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Other ongoing costs	2,69%	

		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Goldman Sachs Growth & Emerging Markets Debt Portfolio	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
	3	ONE-OFF Costs	€ 9.644,66
Ramo III		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	3,14%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Amundi Funds II Euro Strategic Bond	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
	2	ONE-OFF Costs	€ 9.531,48
Ramo III		Entry Costs	0,17%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,63%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Amundi Funds II Pioneer Strategic Income	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
	3	ONE-OFF Costs	€ 9.570,25
Ramo III		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,63%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A

Black Rock BSF Fixed Income Strategies Fund	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
	2	ONE-OFF Costs	€ 9.437,48
Ramo III		Entry Costs	0,17%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%

		Other ongoing costs	3,07%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Goldman Sachs GS Global	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Strategic Income Bond Portfolio	2	ONE-OFF Costs		€ 9.169,14
Ramo III		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,88%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Funds II Top	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
European Players	4	ONE-OFF Costs		€ 9.779,29
Ramo III		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,87%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Funds II Pioneer	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
U.S. Fundamental Growth	4	ONE-OFF Costs		€ 10.434,84
Ramo III		Entry Costs	0,19%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,02%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Amundi Funds II European	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Potential	4	ONE-OFF Costs		€ 9.773,59
Ramo III		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,85%	

		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A

Goldman Sachs GS	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Japan Portfolio	5	ONE-OFF Costs	€ 9.964,07	
Ramo III		Entry Costs		0,18%
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
		Other ongoing costs		3,74%
		INCIDENTAL Costs		
	Performance fees	N/A		
	Carried Interests	N/A		
Fidelity Emerging Markets	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Ramo III	4	ONE-OFF Costs	€ 10.041,88	
		Entry Costs		0,18%
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
		Other ongoing costs		3,17%
		INCIDENTAL Costs		
	Performance fees	N/A		
	Carried Interests	C		
Black Rock BGF Euro	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Short Duration Bond EUR	2	ONE-OFF Costs	€ 9.332,83	
Ramo III		Entry Costs		0,17%
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
		Other ongoing costs		2,79%
		INCIDENTAL Costs		
	Performance fees	N/A		
	Carried Interests	N/A		
Schroder ISF Euro Bond	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Ramo III	2	ONE-OFF Costs	€ 9.578,59	
		Entry Costs		0,17%
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
	Other ongoing costs	2,39%		

		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Schroder ISF Euro Bond	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	4	ONE-OFF Costs	€ 9.752,42
		Entry Costs	0,17%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,35%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A

JPM Global Income	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	3	ONE-OFF Costs	€ 9.590,49
		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,63%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Black Rock BGF FIGO	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	2	ONE-OFF Costs	€ 9.322,58
		Entry Costs	0,17%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,99%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
PIMCO GIS plc	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Diversified Income Fund	2	ONE-OFF Costs	€ 9.434,97
Ramo III		Entry Costs	
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,59%

		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Amundi Funds II European	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Equity Value	4	ONE-OFF Costs	€ 10.114,55
Ramo III		Entry Costs	0,19%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,99%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
JPM US Value	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	3	ONE-OFF Costs	€ 9.941,73
		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,92%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A

Schroder ISF	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Greater China	4	ONE-OFF Costs	€ 10.591,02
Ramo III		Entry Costs	0,19%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	3,27%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
JPM Global Focus	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	4	ONE-OFF Costs	€ 10.143,02
		Entry Costs	0,19%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%

		Other ongoing costs	2,96%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
Fidelity Global Dividend	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.874,81
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	3,08%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
JPM Emerging Markets Equity	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	4	ONE-OFF Costs		€ 9.679,48
		Entry Costs	0,18%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,86%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	
PIMCO GIS Global High Yield Bond	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Ramo III	3	ONE-OFF Costs		€ 9.533,90
		Entry Costs	0,17%	
		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,00%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

PIMCO GIS Diversified	RISK LEVEL	COSTS COMPOSITION		PERFORMANCE
Income Duration Hedged				
Ramo III	2	ONE-OFF Costs		€ 9.393,98
		Entry Costs	0,17%	
		Exit Costs	0,00%	

		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,11%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
PIMCO GIS Income Fund	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	2	ONE-OFF Costs	€ 9.567,19
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,00%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Amundi Funds II Euro Corporate Bond	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	2	ONE-OFF Costs	€ 9.509,79
		Entry Costs	0,17%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,43%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Amundi Funds II Euro High Yield	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	2	ONE-OFF Costs	€ 9.679,48
		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,66%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Black Rock Global Funds Global Allocation Euro Hdg	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	3	ONE-OFF Costs	€ 9.523,02
		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	

		Portfolio costs	0,00%	
		Other ongoing costs	3,38%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

Amundi Funds II	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Absolute Return Multi-Strategy	2	ONE-OFF Costs	€ 9.458,40	
Ramo III		Entry Costs		0,17%
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
		Other ongoing costs		2,81%
		INCIDENTAL Costs		
		Performance fees		N/A
	Carried Interests	N/A		
Allianz Europe Equity	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Growth Select	4	ONE-OFF Costs	€ 10.000,51	
Ramo III		Entry Costs		0,18
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
		Other ongoing costs		3,06%
		INCIDENTAL Costs		
		Performance fees		N/A
	Carried Interests	N/A		
Invesco Global Total Return	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
EUR Bond Fund A EUR	2	ONE-OFF Costs	€ 9.491,34	
Ramo III		Entry Costs		0,17%
		Exit Costs		0,00%
		ONGOING Costs		
		Portfolio costs		0,00%
		Other ongoing costs		2,57%
		INCIDENTAL Costs		
		Performance fees		N/A
	Carried Interests	N/A		
Black Rock BGFGlobal	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE	
Multi-Asset Income	3	ONE-OFF Costs	€ 9.626,08	
Ramo III		Entry Costs		0,18%
		Exit Costs		0,00%

		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	3,37%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Fidelity Global Multi Asset Income Fund A ACC Euro	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	3	ONE-OFF Costs	€ 9.749,12
		Entry Costs	0,18%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,94%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A

Amundi Funds II Global Multi-Asset Target Income	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	3	ONE-OFF Costs	€ 9.199,52
		Entry Costs	0,17%
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	2,77%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Franklin Templeton US Opportunities	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	4	ONE-OFF Costs	€ 10.274,54
		Exit Costs	0,00%
		ONGOING Costs	
		Portfolio costs	0,00%
		Other ongoing costs	3,38%
		INCIDENTAL Costs	
		Performance fees	N/A
		Carried Interests	N/A
Invesco Global Equity Income Fund A EUR Hedged	RISK LEVEL	COSTS COMPOSITION	PERFORMANCE
Ramo III	4	ONE-OFF Costs	€ 9.795,12
		Entry Costs	0,18%

		Exit Costs	0,00%	
		ONGOING Costs		
		Portfolio costs	0,00%	
		Other ongoing costs	2,90%	
		INCIDENTAL Costs		
		Performance fees	N/A	
		Carried Interests	N/A	

APPENDIX D. Different products in comparison

PASSO LIBERO Assimoco – ICCREA Banking group				
Contract Ramo I	OBJECT	TARGET	DETENTION	RISK LEVEL
	Capital increment and/or retention	Low knowledges No previous experiences	No expiration	1
PERFORMANCE				
	Notional amount: € 10.000	Insurance premium : €0		
	Survival Scenarios	1-year	3-years	5-years
	STRESS	9.514 -4,86%	9.756 -0,82%	10.063 0,13%
	UNFAVOURABLE	9.519 -4,81%	9.788 -0,71%	10.146 0,29%
	MODERATE	9.522 -4,78%	9.884 -0,39%	10.411 0,81%
	FAVOURABLE	9.523 -4,77%	9.951 -0,16%	10.608 1,19%
Death Scenario				
	DEATH	9.867	10.085	10.411
	COSTS	Disinvestment before:		
		1-year	3-years	5-years
	TOTAL COSTS	692	784	841
	RIY/Year	6,92%	2,57%	1,58%
	COSTS COMPOSITION	(Impact/year)		
	ONE-OFF Costs			
	Entry Costs	0,48%		
	Exit Costs	0,00%		
	ONGOING Costs			
	Portfolio costs	0,00%		
	Other ongoing costs	1,10%		
	INCIDENTAL Costs			
	Performance fees	N/A		
	Carried Interests	N/A		

PENSO A TE				
Intesa SanPaolo Vita				
Contract (ramo I)	OBJECT	TARGET	DETENTION	RISK LEVEL
	Capital retention	Low experience & knowledge Risk adverse	5 years	1
	PERFORMANCE			
	Notional amount:€ 10.000			
	Survival Scenarios	1-year	3-years	5-years
	STRESS	9.653,00	9.751,50	9.850,00
		-3,47%	-0,84%	-0,30%
	UNFAVOURABLE	9.746,40	10.026,47	10.331,91
		-2,54%	0,09%	0,66%
	MODERATE	9.756,56	10.075,27	10.456,15
		-2,43%	0,25%	0,90%
	FAVOURABLE	9.767,15	10.160,76	10.631,23
		-2,33%	0,53%	1,23%
	Death Scenario			
	DEATH	-	-	10.456,15
	COSTS	Disinvestment before:		
		1-year	3-years	5-years
	TOTAL COSTS	477,16	639,88	804,09
	RIY/Year	4,70%	2,11%	1,61%
	COSTS COMPOSITION	(Impact/year)		
	ONE-OFF Costs			
	Entry Costs	0,31%		
	Exit Costs	0,00%		
	ONGOING Costs			
	Portfolio costs	-		
	Other ongoing costs	1,30%		
	INCIDENTAL Costs			
	Performance fees	N/A		
	Carried Interests	N/A		

LIFE BONUS STARS				
CNP UniCredit Vita				
CNP Absolute Return	OBJECT	TARGET	DETENTION	RISK LEVEL
Stars	Capital	Medium-low	15 years	2
Unit-linked contract (ramo III)	increment and revaluation	level of experience & knowledge Low risk adversion Long term horizon		
PERFORMANCE				
Notional amount: € 1.000		Insurance premium: €0		
Survival Scenarios		1-year	8-years	15-years
STRESS		798,27	6.511,04	11.175,08
		-20,17%	-4,60%	-3,78%
UNFAVOURABLE		868,89	7.489,60	14.227,77
		-13,11%	-1,47%	-0,66%
MODERATE		899,72	7.794,79	14.962,10
		-10,03%	-0,58%	-0,03%
		-6,86%	0,33%	0,61%
Cumulated invested		1.000,00	8.000,00	15.000,00
Death Scenario				
Evento assicurato		1.064,18	8.574,27	14.992,03
Premio cumulato		0,00	0,00	0,00
COSTS		Disinvestment before:		
		1-year	8-years	15-years
TOTAL COSTS		129,07	1311,37	3.992
RIY/Year		12,91%	3,45%	2,90%
COSTS COMPOSITION		(Impact/year)		
ONE-OFF Costs				
Entry Costs		0,73%		
Exit Costs		0,00%		
ONGOING Costs				
Portfolio costs		0,00%		
Other ongoing costs		2,18%		
INCIDENTAL Costs				
Performance fees		N/A		
Carried Interests		N/A		

LIFE BONUS STARS				
CNP UniCredit Vita				
CNP F Azionario	OBJECT	TARGET	DETENTION	RISK LEVEL
America Stars	Capital	Medium-low	15 years	4
Unit-linked contract (ramo III)	increment	level of experience & knowledge Medium risk adversion		
PERFORMANCE				
Notional amount:€ 1.000		Insurance premium: €0		
Survival Scenarios		1-year	8-years	15-years
STRESS		573,28	4.463,96	6.745,34
		-42,67%	-13,16%	-10,86%
UNFAVOURABLE		807,70	8.700,25	20.430,47
		-19,23%	1,86%	3,77%
MODERATE		964,71	10.802,52	27.421,52
		-3,53%	6,64%	7,23%
FAVOURABLE		1.149,22	13.708,30	38.143,85
Cumulated invested		1.000,00	8.000,00	15.000,00
Death Scenario				
Evento assicurato		1.141,06	11.882,78	27.476,37
Premio cumulato		0,00	0,00	0,00
COSTS		Disinvestment before:		
		1-year	8-years	15-years
TOTAL COSTS		151,17	2664,88	12.507
RIY/Year		15,12%	4,86%	4,27%
COSTS COMPOSITION		(Impact/year)		
ONE-OFF Costs				
Entry Costs		0,67%		
Exit Costs		0,00%		
ONGOING Costs				
Portfolio costs		0,00%		
Other ongoing costs		3,60%		

50&50				
Eurovita – ICCREA Banking group				
50% Euroriv	OBJECT	TARGET	DETENTION	RISK LEVEL
50% Maximum	Capital	No specif	3 years	3
Multiramo Contract	increment	experience &knowledge required		
PERFORMANCE				
Notional amount: €10.000		Insurance premium: €5,00		
Survival Scenarios		1year	2-years	3-years
STRESS		7.693,62	8.087,41	7.776,44
		-23,06%	-10,07%	-8,04%
UNFAVOURABLE		9.290,61	9.134,71	9.048,28
		-7,09%	-4,42%	-3,28%
MODERATE		10.055,64	10.224,52	10.396,47
		0,56%	1,12%	1,30%
FAVOURABLE		10.940,63	11.617,74	12.241,51
		9,41%	7,79%	6,97%
Death Scenario				
DEATH		15.105,64	15.274,52	15.446,47
COSTS		Disinvestment before:		
		1-year	2-years	3-years
TOTAL COSTS		280,03	463,24	649,86
RIY/Year		2,82%	2,31%	2,14%
COSTS COMPOSITION				
ONE-OFF Costs				
Entry Costs		0,17%		
Exit Costs		0,16%		
ONGOING Costs				
Portfolio costs		0,00%		
Other ongoing costs		1,82%		
INCIDENTAL Costs				
Performance fees		N/A		
Carried Interests		N/A		

NEW Eurovita QUALITY				
Eurovita – ICCREA Banking group				
75% Euroriv	OBJECT	TARGET	DETENTION	RISK LEVEL
25% Global100	Capital increment and retention	No specif experience & knowledge required	3 years	2
	PERFORMANCE			
	Notional amount: 10.000	Insurance premium: €5,00		
	Survival Scenarios	1year	2-years	3-years
	STRESS	8672,24	8.859,23	8.726,42
		-13,28%	-5,88%	-4,44%
	UNFAVOURABLE	9486,26	9.448,28	9.444,02
		-5,14%	-2,80%	-1,89%
	MODERATE	9.874,49	10.022,66	10.173,53
		-1,26%	0,11%	0,58%
	FAVOURABLE	10.320,27	10791,62	11.243,39
		-0,12%	3,88%	3,98%
	Death Scenario			
	DEATH	9933,18	10.082,13	10.233,80
	COSTS	Disinvestment before:		
		1-year	2-years	3-years
	TOTAL COSTS	422,19	593,68	768,31
	RIY/Year	4,29%	3,02%	2,59%
	COSTS COMPOSITION	(Impact/year)		
	ONE-OFF Costs			
	Entry Costs	0,74%		
	Exit Costs	0,11%		
	ONGOING Costs			
	Portfolio costs	0,00%		
	Other ongoing costs	1,74%		