Why
No. 1286/2014 has introduced a new, standardized Key Information Document ("KID") to improve retail investors’ understanding of packaged retail and insurance-based investment products ("PRIIPs") and their comparability.

Anyone advising on and/or selling these products is required to provide the KID before concluding any contracts.

When
The new rules have been in force since January 2018. UCITS funds and alternative investment funds (AIFs) currently publishing UCITS KIID are subject to a two-year grandfathering period ending January 2020. Banks, insurance companies and selected funds are obliged to provide KIDs to clients already from 1 January 2018.

How our tool can help you
The EY tool provides the following quantitative indicators and measures measures as disclosures to be included in any KID:

- **Risks:** Summary Risk Indicator (1-7) summarizing market risk and credit risk of the PRIIP
- **Performance Scenarios:** Performance of the PRIIP under stress, unfavorable, moderate, and favorable scenarios
- **Costs:** Summary cost indicator (costs over time as a percentage reduction in yield); break-down of costs associated with the fund (one-off costs on entry and exit, recurring costs, performance fees)

The tool covers asset categories 1, 2 and 3. Because of the variety of investment/derivative products the tool is developed to be module-based so that new products can be added as “plug-ins”.

In order to overcome the challenges to financial institutions posed by the new regulation, EY developed an online tool which calculates the quantitative measures requested for the “Key Information Document – KID”. The tool calculates the summary risk indicator, performance scenarios and cost indicators.

Contacts:

**Jiri Mach**
Senior Manager
E: jiri.mach@cz.ey.com
T: +420 731 627 286

**Alena Sebestova**
Senior Regulatory Expert
E: alena.sebestova@cz.ey.com
T: +420 605 234 097

**Filip Frano**
Senior Consultant
E: filip.frano@cz.ey.com
T: +420 735 729 241
Benefits of this EY tool

- Online and accessible via a web browser from any location without the need for a lengthy implementation into your internal systems.
- Leverages our experience from advisory projects focused on the implementation of PRIIPs regulation and the preparation of KIDs for various financial institutions. Our tool is based on methodology compliant with the regulation, enhanced by our experience from actual projects, where regulation does not provide detailed guidance.
- Designed with ease of use in mind. The tool guides its users using several questionnaires which make the calculation process convenient and self-explanatory.
- Cost effective – the EY team monitors the market practice and any changes in the regulatory approach or Q&A, saving on costs for tool users.
- Checks data imported into the tool (MS Excel file) to ensure proper calculation results.
- Produces output in the form of a secured downloadable PDF report that also contains the calculation’s inputs. This ensures the auditability of the calculation results.

Fee

The tool is offered with 3 different price plans to ensure the best fit for your needs:

- **Pay-as-you-go**
  fixed fee for each unique calculation run. Best option for low frequency of calculations. No development, maintenance or subscription fee is charged.

- **Annual subscription**
  unlimited number of calculations, the tool running in the Cloud, EY guarantees maintenance of the tool. Subscription can include tool enhancement for products specified by you.

- **Purchase of script**
  purchase of documented Python script with/without user interface. The solution runs in your IT environment, no further fees but also no EY maintenance. The best option for frequent calculations of standardized products.