Key Information Documents for buyers (page 1-3) and issuers (page 4-6) of index futures contracts traded on the Warsaw Stock Exchange

1. Key Information Document: index futures contract purchase strategy

Purpose:
This document provides you with key information about this investment product. The Warsaw Stock Exchange points out that this is not marketing material and neither is it an offer within the meaning of the Civil Code.
The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.
Product:
Name of the product: Long position in index futures contracts (index futures contract purchase)
Name of PRIIP manufacturer: Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange, GPW or Exchange)
www.gpw.pl
Call +48 22 628 32 32 for more information.
Competent authority of the PRIIP manufacturer in relation to the KID: KNF (Komisja Nadzoru Finansowego, Polish Financial Supervision Authority, PFSA)
Date of production of the KID: 31.12.2017
You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type	This product is a strategy consisting in buying an index futures contract. This product is classified as a derivative instrument according to Annex I Section C of MIFID (Directive 2014/65/EU).
Objectives	Buyers of index futures contracts (long position) are entitled to receive from the contract issuer, at the contract expiry date, the amount equal to the difference between the settlement price and the purchase price times the contract multiplier if the settlement price is greater than the contract purchase price; otherwise, the buyers are required to pay the difference.
	Each index futures contract series has an expiry date at which the futures expire. Open positions may be closed out during the trading session on GPW (within the futures trading hours) by selling the futures contract. For all details of the futures (including expiry dates, which may be different for futures on different indices), see the Standard Specification of the scheme of futures contracts on the Warsaw Stock Exchange Large-Cap Index WIG20 set out in Resolution No. 980/2013 of the Exchange Management Board dated 22 August 2003 (as amended) and the Standard Specification of the scheme of futures contracts on the mWIG40 index set out in Resolution No. 31/873/2001 of the Exchange Supervisory Board dated 25 July 2001 (as amended), available on the Exchange's website: https://www.gpw.pl/contract-specifications-trading-rules
	The underlying of the index futures contracts are: 1. WIG20, an index calculated since 16 April 1994 on the basis of the portfolio of the 20 biggest and most liquid stocks on the GPW Main Market. The initial index value was 1,000 points. WIG20 is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999999987 2. mWIG40, an index which is continuation of MIDWIG, calculated since 31 December 1997 on the basis of the portfolio of 40 mid-cap stocks traded on the GPW Main Market. The initial index value was 1,000 points. mWIG40 is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999999912 3. WIG.MS-BAS calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering following sectors: energy, mining and resources. The initial index value was 10,000 points. WIG.MS-BAS is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999998989 4. WIG.MS-FIN calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering following sectors: banking, insurance, capital market and debt collection. The initial index value was 10,000 points. WIG.MS-FIN is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999999003 5. WIG.MS-PET calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering following sectors: fuels, gas and chemicals. The initial index value was 10,000 points. WIG.MS-PET is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999998997 6. WIG.GAMES5 calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering game developers' sector. The initial index value was 10,000 points. WIG.GAMES5 is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999998971
Intended retail investor	The product is not addressed to a specific category of investors. Retail investors who intend to buy the product must be aware that they may lose the amount equal to the difference expressed in points between the purchase price and the closing price (sale or expiry) times the multiplier (PLN 20 for WIG20 futures, PLN 10 for mWIG40 futures, PLN 2 for WIG.MS-BAS futures, PLN 2 for WIG.MS-FIN futures, PLN 2 for WIG.MS-PET futures and PLN 1 for WIG.GAMES5 futures). Index futures contracts (long or short position) may be used to build investment strategies, hedge positions in the underlying, or build strategies which offer gains when the underlying index rises or falls. Before you buy the product, you should be able to understand the details of the product and decide whether the product fits your investment objectives at an acceptable risk. If you have any doubts as to whether these criteria are met, ask for clarifications at the intermediary financial institution or another institution which could determine whether the instrument is a good fit for you.

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

1	2	3	4	5	6	**7**

Lower risk **Higher risk**

The risk indicator assumes you keep the product until maturity as described in the Standard Specification.

The instrument has materially relevant liquidity risk. You may not be able to cash in early, mainly due to low liquidity understood as no price offers or only such offers whose price you may not accept. If you cash in at an early stage, you may get back less than you expect.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because of low or no liquidity for the product.

We have classified this product as 7 out of 7, which is the highest risk class.

This rates the potential losses from future performance at a very high level. Market conditions including factors other than the value of the underlying index are likely to impact the product price.

Be aware that you may be exposed to a very high loss equal to the difference between the opening (purchase) price and the closing price (sale or expiry) times the multiplier. The loss may be greater than your initial investment (understood as the value of the margin deposited before the position in the index futures is opened). You may be required to deposit additional margins.

Performance scenarios (profit/loss)

The profit or loss of holders of index futures contracts, assuming that the product is held to expiry, depends on the opening price and the contract settlement price at expiry.

The profit or loss on the product may be considered in isolation unless the product is a part of an investment strategy (in that case, the loss on specific strategy elements may be less than, greater than, or equal to the profit on other strategy elements).

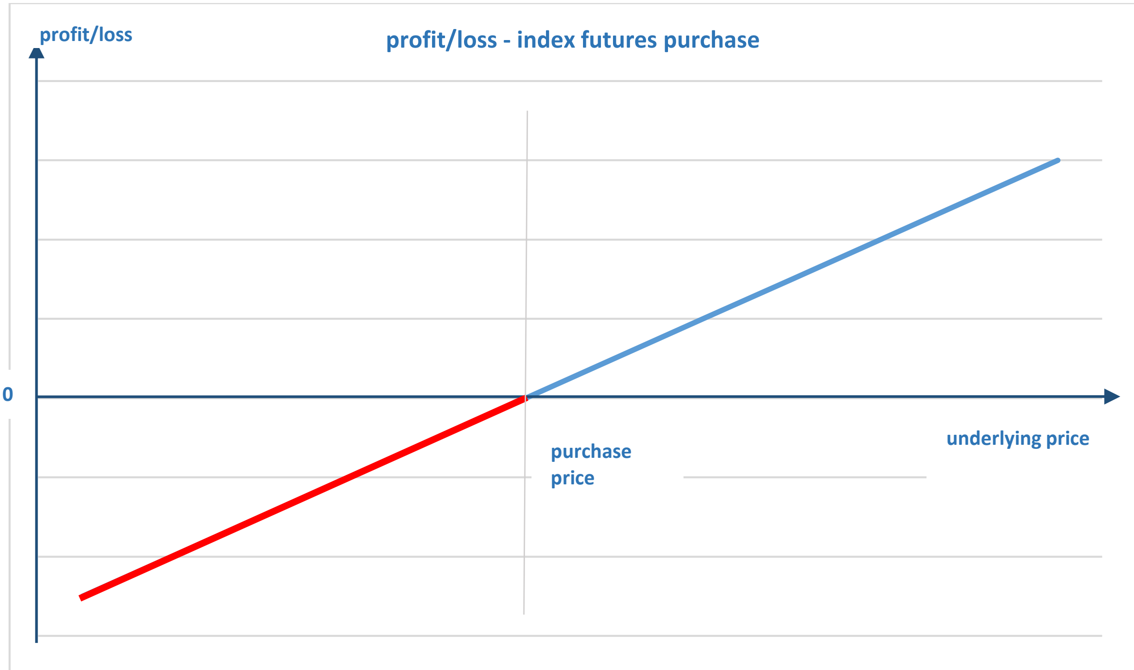
The maximum loss on the index futures purchase strategy is equal to the difference between the contract purchase price and the contract closing price times the multiplier.

Index futures purchase strategy

Initial investment: equal to the margin

Risk: difference between the contract purchase price and the contract closing prices times the multiplier

Margin: required



Calculating profit/loss at expiry

The profit/loss on the index futures purchase strategy is equal to the difference between the closing price (settlement price) and the opening price of the long position (contract purchase) times the multiplier.

C(T) = M(K-m)

C(T) – profit/loss

M – multiplier (the multiplier is PLN 20 for WIG20 futures and PLN 10 for mWIG40 futures)

K – settlement price

m – purchase price

Profit/loss = 0 if settlement price (K) = purchase price

Profit > 0 if settlement price (K) > purchase price

You will make a loss if settlement price (K) < purchase price

Examples:

Example 1: Settlement price (K) = 2520 points, purchase price = 2450 points, multiplier = 20 PLN

Profit/loss = (2520 – 2450)*20 PLN= 70 points*20 PLN= 1400 PLN (profit)

Example 2: Settlement price (K) = 2450 points, purchase price = 2520 points, multiplier = 10 PLN

Profit/loss = (2450 - 2520)*20 PLN= - 70 points*10 PLN= - 700 PLN (loss)

If you hold a long position for more than one trading day, be aware that matching to market takes place after the close of each trading day where gains and losses are determined against the day's settlement price. A description of matching to market is available in the Standard Specification and the Trading Rules of index futures contracts.

What happens if trading organiser/PRIIP manufacturer is unable to pay out?

The Warsaw Stock Exchange has no liability to pay out the settlement amount. Clearing of trade is a responsibility of KDPW's clearing house KDPW_CCP. For information on clearing of derivatives trade, visit www.kdpw.pl. KDPW_CCP clears all derivatives trade on GPW.

What are the (transaction and position) costs?

Costs over time (cost of opening and maintaining positions, cost components):

GPW charges fees for futures trade. Fees are charged to intermediary Exchange Members. The fees are presented in Exhibit 1 to the Exchange Rules, which specifies all fee reductions under periodic promotions offered by the GPW Management Board. The details are available on the Exchange's website: www.gpw.pl.

The Exchange charges no other fees, either periodic or recurrent, on transactions and positions in the instruments described herein.

Your costs include commissions and other fees charged by Exchange Members who submit your orders to the Exchange. If other intermediaries or advisors are involved in the submission of orders, your costs may include their fees.

Costs charged by intermediaries may include fees charged by KDPW_CCP for the opening and closing or expiry of products. The list and the amounts of fees charged by KDPW_CCP are available at www.kdpw.pl.

The margins you are required to deposit before a derivatives position can be opened and to maintain while the position remains open are determined by KDPW's clearing house KDPW_CCP. For information on the terms and amounts of margins for derivatives, visit www.kdpw.pl.

Tax regulations of your home member state as a retail investor may impact the actual profits you receive.

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

There is no one single holding period fit for all investors. Long positions in index futures contracts may be held until expiry. You may decide to maintain the position to expiry or cash out early depending on your investment strategy and risk profile. Long positions in index futures contracts may be closed out by selling the futures before expiry.

How can I complain?

You may file complaints with the intermediary investment firm you have contracted to submit your orders for the product. Intermediaries are required to inform you about the risks involved in the investment product.

Other relevant information

Before buying the product, read the product description in the Standard Specification and the Trading Rules approved by the Polish Financial Supervision Authority.

KDPW's clearing house KDPW_CCP is responsible for determining margins required to open and maintain derivatives positions.

This material prepared by the Warsaw Stock Exchange is for education only. It is neither an offer nor a recommendation to buy or sell any financial instruments, products or commodities. This material neither provides investment advice nor suggests that any investment or strategy is fit for your individual needs. To get investment advice, approach at each time an investment advisor or other person or entity providing such service.

2. Key Information Document: index futures contract sale strategy

Purpose:
This document provides you with key information about this investment product. The Warsaw Stock Exchange points out that this is not marketing material and neither is it an offer within the meaning of the Civil Code.
The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product:
Name of the product: Short position in index futures contracts (index futures contract sale)
Name of PRIIP manufacturer: Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange, GPW or Exchange)
www.gpw.pl
Call +48 22 628 32 32 for more information.
Competent authority of the PRIIP manufacturer in relation to the KID: KNF (Komisja Nadzoru Finansowego, Polish Financial Supervision Authority, PFSA)
Date of production of the KID: 31.12.2017
You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type	This product is a strategy consisting in selling an index futures contract. This product is classified as a derivative instrument according to Annex I Section C of MIFID (Directive 2014/65/EU).
Objectives	Sellers of index futures contracts (short position) are entitled to receive from the contract issuer, at the contract expiry date, the amount equal to the difference between the purchase price and the settlement price times the contract multiplier if the settlement price is less than the contract purchase price; otherwise, the sellers are required to pay the difference.
	Each index futures contract series has an expiry date at which the futures expire. Open positions may be closed out during the trading session on GPW (within the futures trading hours) by buying the futures contract. For all details of the futures (including expiry dates, which may be different for futures on different indices), see the Standard Specification of the scheme of futures contracts on the Warsaw Stock Exchange Large-Cap Index WIG20 set out in Resolution No. 980/2013 of the Exchange Management Board dated 22 August 2003 (as amended) and the Standard Specification of the scheme of futures contracts on the mWIG40 index set out in Resolution No. 31/873/2001 of the Exchange Supervisory Board dated 25 July 2001 (as amended), available on the Exchange's website: https://www.gpw.pl/opcje-standardy-warunki-obrotu
	The underlying of the index futures contracts are: 1. WIG20, an index calculated since 16 April 1994 on the basis of the portfolio of the 20 biggest and most liquid stocks on the GPW Main Market. The initial index value was 1,000 points. WIG20 is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999999987 2. mWIG40, an index which is continuation of MIDWIG, calculated since 31 December 1997 on the basis of the portfolio of 40 mid-cap stocks traded on the GPW Main Market. The initial index value was 1,000 points. mWIG40 is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999999912 3. WIG.MS-BAS calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering following sectors: energy, mining and resources. The initial index value was 10,000 points. WIG.MS-BAS is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999998989 4. WIG.MS-FIN calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering following sectors: banking, insurance, capital market and debt collection. The initial index value was 10,000 points. WIG.MS-FIN is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999999003 5. WIG.MS-PET calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering following sectors: fuels, gas and chemicals. The initial index value was 10,000 points. WIG.MS-PET is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999998997 6. WIG.GAMES5 calculated since 18 March 2019 on the basis of the portfolio of 5 most liquid companies covering game developers' sector. The initial index value was 10,000 points. WIG.GAMES5 is a price index, i.e., it only includes the prices of transactions excluding dividend income. The methodology of stock selection and index calculation is available at: https://gpwbenchmark.pl/en-karta-indeksu?isin=PL9999998971
Intended retail investor	The product is not addressed to a specific category of investors. Retail investors who intend to buy the product must be aware that they may lose the amount equal to the difference expressed in points between the purchase price and the closing price (sale or expiry) times the multiplier (PLN 20 for WIG20 futures, PLN 10 for mWIG40 futures, PLN 2 for WIG.MS-BAS futures, PLN 2 for WIG.MS-FIN futures, PLN 2 for WIG.MS-PET futures and PLN 1 for WIG.GAMES5 futures). Index futures contracts (long or short position) may be used to build investment strategies, hedge positions in the underlying, or build strategies which offer gains when the underlying index rises or falls. Before you buy the product, you should be able to understand the details of the product and decide whether the product fits your investment objectives at an acceptable risk. If you have any doubts as to whether these criteria are met, ask for clarifications at the intermediary financial institution or another institution which could determine whether the instrument is a good fit for you.

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

1	2	3	4	5	6	**7**

Lower risk — **Higher risk**

The risk indicator assumes you keep the product until maturity as described in the Standard Specification.

The instrument has materially relevant liquidity risk. You may not be able to cash in early, mainly due to low liquidity understood as no price offers or only such offers whose price you may not accept. If you cash in at an early stage, you may get back less than you expect.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because of low or no liquidity for the product.

We have classified this product as 7 out of 7, which is the highest risk class.

This rates the potential losses from future performance at a very high level. Market conditions including factors other than the value of the underlying index are likely to impact the product price.

Be aware that you may be exposed to a very high loss equal to the difference between the closing price (purchase or expiry) and the opening (sale) price times the multiplier. The loss may be greater than your initial investment (understood as the value of the margin deposited before the position in the index futures is opened). You may be required to deposit additional margins.

Performance scenarios (profit/loss)

The profit or loss of holders of short positions in index futures contracts, assuming that the product is held to expiry, depends on the opening price and the contract settlement price at expiry.

The profit or loss on the product may be considered in isolation unless the product is a part of an investment strategy (in that case, the loss on specific strategy elements may be less than, greater than, or equal to the profit on other strategy elements).

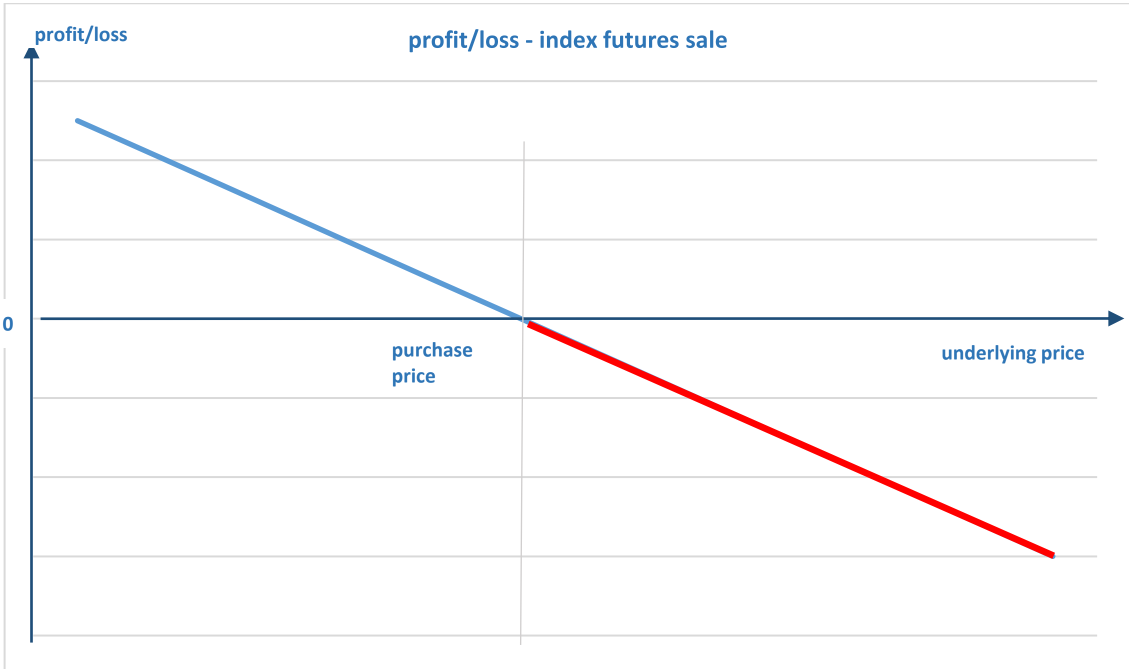
The maximum loss on the index futures sale strategy is equal to the difference between the contract closing price (purchase or expiry) and the contract sale price times the multiplier.

Index futures sale strategy

Initial investment: equal to the margin

Risk: difference between the contract closing price and the opening (sale) price times the multiplier

Margin: required



Calculating profit/loss at expiry

The profit/loss on the index futures sale strategy is equal to the difference between the opening price of the short position (contract sale) and the closing price (settlement price) times the multiplier.

C(T) = M(m-K)

C(T) – profit/loss

M – multiplier (the multiplier is PLN 20 for WIG20 futures and PLN 10 for mWIG40 futures)

K – settlement price

m – sale price

Profit/loss = 0 if settlement price (K) = sale price

Profit > 0 if settlement price (K) < sale price

You will make a loss if settlement price (K) > sale price

Examples:

Example 1: Settlement price (K) = 2520 points, sale price = 2450 points, multiplier = 20 PLN

Profit/loss = (2450 – 2520)*20 PLN= -70 points*20 PLN= -1400 PLN (loss)

Example 2: Settlement price (K) = 2450 points, sale price = 2520 points, multiplier = 10 PLN

Profit/loss = (2520 - 2450)*10 PLN= 70 points*10 PLN= 700 PLN (profit)

If you hold a long position for more than one trading day, be aware that matching to market takes place after the close of each trading day where gains and losses are determined against the day's settlement price. A description of matching to market is available in the Standard Specification and the Trading Rules of index futures contracts.

What happens if trading organiser/PRIIP manufacturer is unable to pay out?

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Your costs include commissions and other fees charged by Exchange Members who submit your orders to the Exchange. If other intermediaries or advisors are involved in the submission of orders, your costs may include their fees.

Costs charged by intermediaries may include fees charged by KDPW_CCP for the opening and closing or expiry of products. The list and the amounts of fees charged by KDPW_CCP are available at www.kdpw.pl.

The margins you are required to deposit before a derivatives position can be opened and to maintain while the position remains open are determined by KDPW's clearing house KDPW_CCP. For information on the terms and amounts of margins for derivatives, visit www.kdpw.pl.

Tax regulations of your home member state as a retail investor may impact the actual profits you receive.

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

There is no one single holding period fit for all investors. Short positions in index futures contracts may be held until expiry. You may decide to maintain the position to expiry or cash out early depending on your investment strategy and risk profile. Short positions in index futures contracts may be closed out by buying the futures before expiry.

How can I complain?

You may file complaints with the intermediary investment firm you have contracted to submit your orders for the product. Intermediaries are required to inform you about the risks involved in the investment product.

Other relevant information

Before buying the product, read the product description in the Standard Specification and the Trading Rules approved by the Polish Financial Supervision Authority.

KDPW's clearing house KDPW_CCP is responsible for determining margins required to open and maintain derivatives positions.

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