

# Key Information Document (KID)



## Purpose of the “Key Information Document” (KID):

This KID provides you with key information about the investment Product described in this table. It is not marketing material. This 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.

### 1. General Information

**Product:** Put Options on FTSE/ATHEX Large Cap Index.

**Name of PRIIP Manufacturer:** Hellenic Exchanges - Athens Stock Exchange (ATHEX), [www.athexgroup.gr](http://www.athexgroup.gr)

**Competent Authority supervising the PRIIPs manufacturer:** Hellenic Capital Market Commission (HCMC), [www.hcmc.gov.gr](http://www.hcmc.gov.gr)

**Date of production:** 20/02/2018

*You are about to purchase a Product that is not simple and may be difficult to understand*

### 2. What is this Product?

#### Type:

This Product is a financial instrument in the Category “Index Options”. Index Options are derivative contracts traded on the Derivatives Market of ATHEX and their values depend on the value of an underlying Index.

#### Objectives:

The Index Put Options contract is an agreement between two parties, in which the buyer pays to the seller a premium and has the option to sell the underlying value at a preset price, referred to as the strike price, and the seller has the obligation to buy the underlying value, on expiration date (European type option exercise).

When entering into a put option position, the buyer pays the premium price to the seller. The buyer and the seller have opposing expectations of how the value of the underlying price will develop. The buyer of the contract wishes a decrease of the underlying value, while the seller wishes an increase of the underlying value. Either market participant will experience a profit if their expectations materialize and a loss if their expectations do not materialize.

This Product creates a leveraged exposure to the movement of the Underlying asset which is the Large Cap Index of ATHEX (FTSE/ATHEX Large Cap Index). Before the Expiration date, the value of the Product depends on the value of the underlying Index. The Size of the contract is 2 euros per Index Points.

Positions on this Product can be opened and closed any day that the ATHEX Derivatives Market is open for trading and during its trading hours.

The investor can exit the exposure to a put option contract by entering into an opposing position, with the same underlying and expiration date and the same exercise price, acting as seller to close an open long position, or acting as buyer to close an open short position, respectively. An index put option price can fluctuate due to movements and expectations of the following non-exhaustive list of parameters: underlying value, underlying volatility, expiration date, interest rates, coupon or dividend payments, etc.

The pay-off of an Index Put Option is linear.

The Maximum profit of the buyer is unlimited and is achieved when the underlying price is lower than the strike price of the contract, minus the premium. The profit is calculated as:  $\{(underlying\ value - (strike\ price\ value - premium\ value)) \times contract\ size\}$ .

The Maximum loss for the buyer equals to the premium value x contract size.

The Maximum profit of the seller is limited and equals to the premium price, which is achieved when the underlying price is higher than the strike price of the contract, minus the premium price. The profit is calculated as:  $premium\ price \times contract\ size$ .

The Maximum loss for the seller is unlimited and occurs when the underlying price is lower than exercise price, minus the premium price.

Commissions and other expenses are not included in the calculations.

#### Intended retail investor:

This Product is not marketed to a specific type of investor. Potential investors can be retail clients, professional clients and eligible counterparties. An investor can use this Product for portfolio hedging, or other trading strategies and may have a short-term, mid-term or long-term investment horizon.

A retail investor should be aware of the characteristics and risks of this Product and be aware that financial losses exceeding the initially invested capital may occur and does not require capital protection (repayment of the invested capital is not guaranteed). In order to be able to make an informed decision on whether or not this Product suits to his/her needs it is suggested that the retail investor should contact his/her broker or investment advisor in order to obtain advice regarding investment on this Products.

An Index Option product is suitable for investors with extensive knowledge and/or experience in derivative financial products.

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

**Risk Indicator:** The summary risk indicator (SRI) 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 ATHEX will not be able to pay out.

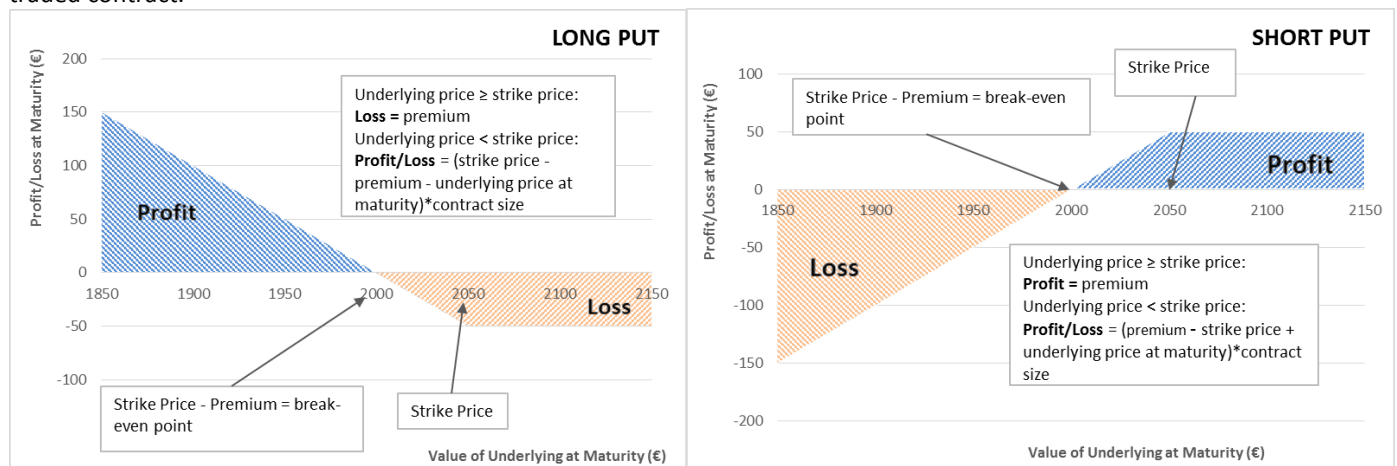


We have classified this product as 7 out of 7, which is the highest risk class. This rates potential losses from future performance at a very high level. Options are leveraged products, initial costs of a customer, e.g. execution fees, assets deposited to secure the future's exposure, account for only a small percentage of the traded contract's overall value. Small changes in the option's Underlying value can result in huge gains or losses. In some circumstances, you may be required to make payments to pay for losses.

**The total loss you may incur may be significant.**

This product does not include any protection from future market performance so you could lose some or all of your investment.

**Performance scenarios:** These graphs illustrate how your investment could perform. You can compare it with the pay-off graphs of other derivatives. The following performance scenario is based on a position of 1 Standard Contract of the Product, under the following assumptions: (i) the position was opened by paying a Premium equal to EUR 50 and (ii) the Size of the contract is equal to EUR 2 per index point and (iii) the Strike Price is equal to 2.050 index points. It is possible to open the position by paying a Premium that is different from these assumptions, depending on market conditions and on the specific characteristics of the traded contract.



The graphs presented give a range of possible outcomes and are not an exact indication of what you might get back. What you get will vary depending on how the underlying will develop. For each value of the underlying, the graphs shows what the profit or loss of the product would be at expiration. The horizontal axis shows the various possible prices of the underlying value on the expiration date and the vertical axis shows the profit or loss. The scenarios indicated in the graph illustrate a range of possible returns for this product at expiration.

Buying this product (Long Put) holds that you estimate the Underlying price will be, at expiration, below: (Strike) - (Premium paid, for a unit of Underlying) - (total costs paid, for a unit of Underlying). The buyer of this product could have a maximum loss equal to: (Premium paid) + (total costs paid).

Selling this product (Short Put) holds that you estimate the Underlying price will be, at expiration, above: (Strike) - (Premium received, for a unit of Underlying) + (total costs paid, for a unit of Underlying). The seller of this product could have a maximum loss equal to: {(Strike price) x (Contract size) x (No of contracts)} + (total costs paid) - (Premium received).

### 4. What happens if ATHEX is unable to pay out?

ATHEX is an Exchange approved under Greek law and provides a trading platform for the conclusion of financial transactions between market participants. ATHEX does not act as a central counterparty to any market participant with respect to any of these transactions. Any transaction traded on ATHEX is centrally cleared by Athens Exchange Clearing House (ATHEXClear).

### 5. What are the costs?

The costs described below refer to a position of EUR 10.000 of the Underlying corresponding, for a contract size equal to EUR 2 per index point and an Underlying value equal to 2.500 index points and 2 standard contracts. In addition, described costs refer to a derivative contract with remaining time to Expiry of 1 year. Costs will vary depending on the assumptions used and on the remaining time to the expiration of the contract. The number of the contracts that correspond to an Underlying Investment of EUR 10.000 can be calculated as: EUR 10.000 / (Underlying value x contract size)

The assumed return is equal to 2.5% of the value of the Underlying Investment (EUR 250, before costs).

The Reduction in Yield ("RIY") shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off costs to open and close your position, ongoing costs and incidental costs. The amount shown here is the total cost for the Product, if the position is held open till the Expiry/Exercise date. There are no penalties for an early exit from the position (closing of position). The figures are estimates and may change in the future.

**Costs over time:** The costs described below refer to the fees that ATHEX and ATHEXClear apply to their members, respectively trading and clearing firms that are members of the ATHEX Derivatives market. The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Position of EUR 10.000 in the PRIIP	If you cash in at Maturity
Total Costs	EUR 3
Impact on return (RIY) per year	1,20%

**Composition of costs:** the table below shows: (i) the impact of the different types of costs on the investment return you might get at the Expiry and (ii) what the different cost categories mean.

This table shows the impact on return per year			
One-off costs	Entry Costs	0,56%	Indicates the impact of the costs to open a position, over the assumed return equal to a 2,5% increase of the value of the Underlying Investment (EUR 250). This cost includes trading fees charged by ATHEX and clearing fees charged by ATHEXClear, which is €0,70/contract.
	Exercise/Assign Costs	0,64%	Indicates the impact of the costs of exercise/assign the investment at the Expiration date, over the assumed return equal to a 2,5% increase of the value of the Underlying Investment (EUR 250). This cost includes trading fees charged by ATHEX and clearing fees charged by ATHEXClear, which is €0,80/contract.
Ongoing costs	Portfolio transaction costs	N/A	The impact of the costs of us buying and selling underlying investments for the product
	Other ongoing costs	N/A	The impact of the costs that we take each year for managing your investments
Incidental costs	Performance fees	N/A	The impact of the performance fee. We take these from your investment if the product outperforms its benchmark.
	Carried interests	N/A	The impact of carried interests.

The complete description of the ATHEX Pricing policy on this product can be found at the ATHEX BoD Resolution 24 which can be downloaded from [here](#).

#### 6. How long should I hold it and can I take my money out early?

**Holding Period:** This Product does not have a minimum holding period, nor does ATHEX recommend a specific holding period. Each customer's optimal holding period depends on their individual strategy and risk profile. The product can be held by the investor for a short, medium or long-term horizon.

Positions on this Product can be opened and closed any day that the ATHEX Derivatives Market is open for trading and during its trading hours, as further described in the section "Objectives".

By provision of the ATHEX Rulebook, at least one Market Maker exists for this Product, in order to offer liquidity to the Market.

#### 7. How can I complain?

In case of complaints about the manufacturer of the product and this KID by contacting the Investor Support Services [ISD@athexgroup.gr](mailto:ISD@athexgroup.gr).

In case of complaints regarding a person advising on, or selling, or distributing to you the product, please directly contact the institution, which the respective person represents.

#### 8. Other relevant information

Besides the aforementioned information, the following documents are available to download:

- Product Characteristics table,
- ATHEX BoD Resolution 13 and
- ATHEX BoD Resolution 24

It is also important that the investor is familiar with the ATHEX rulebook that can be found [here](#).

For additional information, you can contact ATHEX at the following contact details: [www.athexgroup.gr/sup](http://www.athexgroup.gr/sup)