

Key Information Document (KID)

xRolling® FX Futures Short

PRODUCT

Name of PRIIP

xRolling® FX Futures Short

Name of PRIIP manufacturer

MEFF Sociedad Reitora del Mercado de Productos Derivados S.A.U.

Details of contact

For more information please contact us on the following link: <https://www.meff.es/ing/MEFF-contact> or telephone number: +34 91 709 50 00

Competent authority supervising PRIIP manufacturer

CNMV

Date of production

17-05-2019

Purpose

This document provides you with key information about this investment product. 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.

What is this product?

Type of product

Currency futures are considered to be derivatives under Annex I, Section C of MiFID 014/65/EU. A derivative is a financial contract which derives its value from the value of another underlying instrument.

Objectives

A future is an agreement between a buyer (long position) and a seller (short position) to trade a certain underlying asset at a certain time in the future for a certain price. When entering into a futures position, no initial payment is made between the buyer and seller. The buyer and the seller have opposing expectations of how the value of the futures price will develop. Either market participant will experience a profit if their expectations materialize and a loss if their expectations do not materialize.

The xRolling® FX is a perpetual Future with daily roll over that behaves as if the expiry of the contract was today. This produces that its price, during all day, is equal to the spot of the underlying. At the end of the market session, all contracts with open position are rolled over, proceeding to close the position at the closing price of the contract and opening position at the theoretical price of a future with expiry next day, allocating the corresponding profit/loss. Next trading session, the contract opens to trading as a Future with expiry that day. The xRolling® FX Future implies the trading of a pair of currencies BBBQQQ (BBB Base currency, QQQ Quoted currency) in the order book. The price is expressed in terms of the quoted currency, while volume is expressed in terms of the base currency.

When the base currency is EUR, the nominal will be 10.000 base currencies (if other pairs were introduced, it would not necessarily be of 10.000). If we wanted to convert this figure to EUR, we would use the corresponding exchange rate. In any case, the price is not necessary to establish the nominal of the contract or the trade.

The xRolling® FX Futures pursue to replicate the underlying and for this purpose they have a daily Roll-Over which carries the open position to the next trading day (in perpetuity) without a defined expiry date. The customer can exit this exposure to a future by entering into an opposing futures position (with the same underlying), acting as buyer to close an opening short position. The price of the future can fluctuate due to movements and expectations of the following non-exhaustive list of parameters: price of the underlying asset, interest rates, etc.

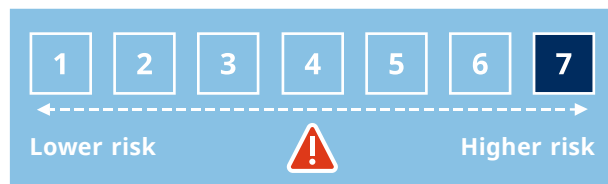
Intended retail investor

An Exchange is a neutral trading platform where various types of market participants can interact. This product is not designed to be marketed to a specific type of investor or to fulfill a specific investment objective or investment strategy. A retail investor should become familiar with the characteristics of this product to make an informed decision on whether or not this product fits their investment needs, as well as having the capacity to assume losses. The potential customer could bare financial losses exceeding the initially invested capital, and does not require capital protection. A short future is an appropriate product for clients with a wide knowledge and/or experience on financial derivative products. If in doubt, the retail investor should contact his broker or financial advisor to obtain investment advice.

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

Risk indicator

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 due to market movements.



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. Futures are leveraged products; the initial costs for a client, e.g. the execution fees or assets deposited to secure the future's exposure can represent only a small percentage of the total value of the traded contract. Small movements of the underlying price can result in higher profits or losses.

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

Performance Scenarios

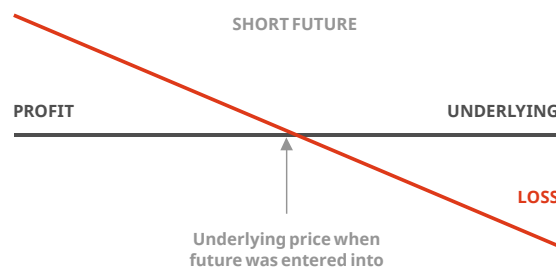
This graph illustrates how your investment could perform. You can compare it with the pay-off graphs of other derivatives.

The graph represented gives a range of possible outcomes and is not an exact indication of future returns. Future returns will vary depending on how the underlying develops. For each value of the underlying, the graph

shows the profit or loss of the product. The horizontal axis shows the various possible prices of the underlying and the vertical axis shows the profit or loss. Assuming a short futures position implies that you think the underlying price will decrease.

Before entering into a xRolling® FX futures short position, the customer must do their own independent assessment on whether to enter into such a contract and decide as to whether the respective product is appropriate or proper for them, based upon the customer's own judgment and the recommendation from the persons selling or advising. The scenarios indicated in the graph illustrate a range of possible returns for this product.

The following graphic shows the economic result of a short future in relation with the underlying price.



1. xRolling® FX Futures Short

Transaction: Sell future

Investment: None (daily Variation Margin)

Risk: Unlimited if the price of the underlying rises

Yield: Unlimited if the price of the underlying decreases

Margin: Established by BME Clearing Circular

2. Profit/loss calculation

If the prior Daily Settlement Price is lower than the new Daily Settlement Price the amount corresponding the difference will be charged; if the prior Daily Settlement

Price is greater than the new Daily Settlement Price, the amount corresponding the difference will be paid.

What happens if MEFF is unable to pay out?

MEFF Sociedad Rectora del Mercado de Productos Derivados S. A. U. is the company authorized by the Spanish law that rules and manages the Exchange. This Exchange provides a trading platform for the conclusion of Financial Transactions between market participants. MEFF does not act as counterparty to any market participant with respect to any of these transactions. All transactions traded on MEFF are centrally cleared by the Central Counterparty BME Clearing.

What are the costs?

Composition of costs

The fees that are next described will not be directly charged to the final client, but to the Market Member. Additional or associated costs may be charged to the retail investor by the participant/trading Member of the Market, brokers or other intermediaries involved in the derivatives transaction in matter.

The total amount of costs by contract applicable to xRolling® FX Futures is 0.10 euros, following the below composition:

Trading fee: 0.065 euros per contract with a maximum of 195 euros. The maximum fee to be paid is calculated per trade registered on the final account, taking into account the original orders that produce each trade.

Clearing fee: 0.035 euros per contract. Every trade on MEFF is automatically centrally cleared by BME Clearing¹, which also applies a maximum of 105 euros.

Diferral fee: calculated by applying a percentage annualized of the cash amount (Number of contracts x Nominal x Settlement price) in the quoted currency of the open position at the end of the market session.

DIFERRAL FEE	
OPEN POSITION CASH AMOUNT TRANCHES (€)	OVER CASH AMOUNT (ANNUALIZED RATE) (%)
0 – 250,000	0.200
250,000 – 500,000	0.150
500,000 – 1,000,000	0.100
1,000,000 – 5,000,000	0.050
5,000,000 – 100,000,000	0.025
> 100,000,000	0.015

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

There is no recommended holding period for this product. The investor may terminate the contract by entering into a transaction with opposite sign to the original one, which will have a trading and clearing fee of 0.10 euros. Whether or not retail investors choose to do so will depend on their investment strategy and risk profile and it also should be taken into account that liquidity conditions of the product may vary over time.

How can I complain?

Retail investors should address complaints to the MEFF Member, broker or intermediary with whom the investor has a contractual relationship based on this product.

Other relevant information

Contract specifications setting out key details of all derivatives traded on MEFF are described on the General Conditions annex of the MEFF Rule Book and are published in the MEFF website: www.meff.es.

The FX Rolling Spot Futures given its characteristics, equivalent in relevant aspects to those of contracts for differences (CFD), is subject to the Resolution² of June 27, 2019, of the CNMV, on product intervention measures related to binary options and financial contracts for differences and to the first part of the Resolution³ of July 11, 2023, of CNMV.

¹ The BME Clearing expiration/exercise fee schedule is available in the following link: <https://www.bmeclearing.es/docs/Normativa/ing/circulares/2024/C-DF-2025-01-Fees-for-the-Financial-Derivatives-Segment.pdf>

² https://www.boe.es/diario_boe/txt.php?id=BOE-A-2019-9737

³ https://www.boe.es/diario_boe/txt.php?id=BOE-A-2023-16394