
RULES OF THE TREASURY BONDSPOT POLAND INDEX (TBSP.INDEX)

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Document status: public		
Valid from: 30.04.2020		
Consolidated version as of: 21.01.2022		
Change history:		
Resolution	change	Entry into force
27/2019 z dnia 4.10.2019	Initial text	01.12.2019
8/2020 z dnia 29.01.2020	Correction of the underlying market description – constituents (pt 3.1), correction of the term “material change” (pt 5.2.2.b added)	29.01.2020
35/2020 z dnia 30.04.2020	New version including ESG disclosures	30.04.2020
9/2022 z dnia 21.01.2022	Publication of the closing value moved to 5:20 pm (pt 4.3.1 c), amended process of method change (new pt 5), introduction of specific Key Elements of Method (pt 5.2, Annex 1)	20.02.2022

1. DEFINITIONS

Administrator	GPW Benchmark S.A., with its seat in Warsaw at: ul. Książęca 4, 00-498 Warsaw, entered into the register of entrepreneurs of the National Court Register, kept by the District Court for the capital city of Warsaw in Warsaw, 12th Business Division of the National Court Register, with KRS number: 0000493097, Tax Identification Number (NIP): 5252546511, with the registered capital in the amount of PLN 2,900,000, paid up in full
BondSpot	BondSpot S.A., with its seat in Warsaw at: ul. Książęca 4, 00-498 Warsaw, entered into the register of entrepreneurs of the National Court Register, kept by the District Court for the capital city of Warsaw in Warsaw, 12th Business Division of the National Court Register, with KRS number: 0000022931, Tax Identification Number (NIP): 525-100-64-45, with the registered capital in the amount of PLN 10,000,000, paid up in full
Input Data	the Reference Prices, which are readily available data, used by the Administrator to determine the Index, and which are the input data within the meaning of the Benchmarks Regulation
Trading Day	trading day within the meaning of the Rules of Determining Reference Prices
Fund	a legal person whose sole object of activity is investing money, acquired by means of public, and in situations specified in the Act of 27 May 2004 on investment funds and managing alternative investment funds (Dz.U. of 2018, item 1355, as amended) also through non-public offer of purchase of units or investment certificates, in securities, money market instruments and other property rights specified in the above-mentioned Act
GPW	Giełda Papierów Wartościowych w Warszawie S.A., with its seat in Warsaw at: ul. Książęca 4, 00-498 Warsaw, entered into the register of entrepreneurs of the National Court Register, kept by the District Court for the capital city of Warsaw in Warsaw, 12th Business Division of the National Court Register, with KRS number: 0000082312, Tax Identification Number (NIP): 526-025-09-72, with the registered capital in the amount of PLN 41,972,000, paid up in full
Index	Treasury BondSpot Poland Index (TBSP.Index)
Financial Product	a financial instrument within the meaning of the Act of 29 July 2005 on trading in financial instruments (Dz.U. of 2018, item 2286, as amended) or a structured deposit within the meaning of the Act of 29 August 1997 'Banking Law' (Dz.U. of 2018, item 2187, as amended)
KNF	the Polish Financial Supervision Authority (KNF)

Oversight Committee	the Oversight Committee for Capital Market Benchmarks established by the Administrator, acting as the oversight function within the meaning of Article 5 of the Benchmarks Regulation
Adjustment Coefficient	an adjustment coefficient based on which the Administrator adjusts the Index values, according to points 4.4.1- 4.4.8, in the event of a change in the Index Portfolio and reinvestment of interest payments
Reference Prices	TBSP.Price and TBSP.fixPrice
TBSP.Price	TBSP.Price within the meaning of the Rules of Determining Reference Prices
TBSP.fixPrice	TBSP.fixPrice within the meaning of the Rules of Setting the Reference Prices
Method	a way to determine the Index used by the Administrator, described in these Rules
Portfolio	Treasury securities (TS) in relation to which the Reference Prices are determined, subject to points 4.4.2- 4.4.5 of these Rules
Paris Agreement	global Paris Agreement adopted under the United Nations Framework Convention on Climate Change, ratified by the EU on October 5, 2016
Procedure for receiving and processing complaints	the procedure for receiving and processing complaints at GPW Benchmark S.A.
Rules	these Rules of the Treasury Bondspot Poland Index (Tbsp.Index)
TBSP Rules	the Treasury BondSpot Poland Market Rules, with all amendments and supplements, available on BondSpot website
Rules of Setting the Reference Prices	the Rules of setting TBSP.Price and TBSP.fixPrice reference prices, with all amendments and supplements, available on the BondSpot website
Benchmarks Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or for measuring the results of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ EU L 171 of 29.6.2016, p. 1)
Market	Treasury BondSpot Poland market, which is a multilateral trading facility as defined in the Act of 29 July 2005 on trading in financial instruments (i.e. Dz.U. of 2018, item 2286, as amended), on which TS trading is held, organised by BondSpot under a contract concluded with the Minister of Finance of the Republic of Poland

Fixing Session	the reference period specified in the Rules of Setting the Reference Prices, on the basis of which the TBSP.Price shall be set
TS (Treasury Securities)	Treasury securities within the meaning of the Rules of Setting the Reference Prices
Financial Contract	a financial contract within the meaning of Article 3(1)(18) of the Benchmarks Regulation
Licence Agreement for Using the Index	an agreement concluded as provided for in the Rules, authorising the use of the Index within the scope referred to in point 2.5.1 of these Rules
Index User	an entity using the Index under the Licence Agreement for Using the Index, within the scope referred to in point 2.5.1 of the Rules

2. GENERAL PROVISIONS

2.1. The Rules

2.1.1. These Rules specify:

- a) detailed principles of construction and publication of the Index,
- b) the role of the Administrator in determining the Index,
- c) principles of using the Index by the Index Users,
- d) the Key Elements of the Method of Determining the Index (hereinafter: "KEM"), according to Article 13(1)(a) of the Benchmarks Regulation, as well as materiality thresholds,
- e) description of the Input Data, including the description of the types of Input Data, the guidelines for priority and hierarchy of their use in the Method of Determining the Index according to Article 11(1)(c) of the Benchmarks Regulation,
- f) mechanisms that allow to identify any circumstances in which the quantity or quality of the Input Data cease to meet the standards necessary for accurate and reliable determination of the Index with the Method, and the way in which the Index should be determined in such an event, according to Article 12(3) of the Benchmarks Regulation,
- g) principles of the cyclical review of the Method according to Article 13(1)(b) of the Benchmarks Regulation,
- h) the term "material change of the Method" and principles of consultation on any proposed material change in the definition or Method according to Article 13(1)(c) of the Benchmarks Regulation,
- i) principles of cessation of providing the Index, according to Article 28(1) of the Benchmarks Regulation.

2.2. The Administrator

2.2.1. The Administrator exercises control over the provision of the Index.

2.2.2. The control over the provision of the Index includes any actions necessary to fulfil the duties of the Administrator as regards the Index within the meaning of the Benchmarks Regulation, and in particular:

- a) administering the arrangements for determining the Index,
- b) collecting, analysing and processing the Input Data for the purposes of determining the Index,
- c) determining the Index according to these Rules.

2.3. The Oversight Committee for Capital Market Benchmarks

2.3.1. The Administrator shall appoint and maintain the Oversight Committee which constitutes a permanent oversight function within the meaning of the Benchmarks Regulation, to ensure oversight over all aspects of the provision of the Index.

2.3.2. The Administrator shall ensure services to the Oversight Committee and provide it with access to any information necessary to perform the tasks of the Oversight Committee.

- 2.3.3. The tasks and the detailed rules on the organisation and the functioning of the Oversight Committee shall be specified in separate Rules on the Oversight Committee adopted by the Administrator.
- 2.4. Communication between the Administrator and the Index Users
 - 2.4.1. Any information and documents addressed to the Index Users shall be made available by the Administrator by means of their publication on the Administrator's website: gpwbenchmark.pl/.
 - 2.4.2. The Index Users shall communicate with the Administrator with the use of the contact data indicated on the Administrator's website or in a way specified in any Licence Agreements for Using the Index they have concluded.
- 2.5. Using the Index
 - 2.5.1. Using the Index consisting in:
 - a) creating a Financial Product which references the Index, to be used by the Licensee or a third party,
 - b) issuing, offering or admitting to trading a Financial Product referred to in letter a),
 - c) calculating the amount payable under the Financial Product or the financial contract, by referencing the Index,
 - d) measuring the performance of an investment fund with the use of the Index, for the purpose of tracking the return in relation to the Index, or for the purpose of defining the asset allocation of a portfolio or computing the performance fees,
 - e) informing about significant features and characteristics of the Financial Product referred to in letters a)-d), using the word and graphic sign of the Index in its name and in any information or commercial materials and documents in any form and related to the Financial Product;may be performed solely under the Licence Agreement for Using the Index.
 - 2.5.2. The Licence Agreement for Using the Index shall specify in particular:
 - a) the Administrator's obligation to provide the Index according to the rules specified by the laws applicable to the Administrator, and according to these Rules,
 - b) the Index User's obligation to pay the Administrator a fee for the provision of the Index.
 - 2.5.3. The Administrator shall make available a template of the Licence Agreement for Using the Index in the way specified in point 2.4.1 and shall specify the rules of its signing by the Index User.
- 2.6. Complaints by the Index Users
 - 2.6.1. The Index Users may submit complaints to the Administrator, under the principles specified in the Procedure for receiving and processing complaints, the principles of which are described on the Administrator's website.
- 2.7. Liability of the Administrator
 - 2.7.1. The rules of the Administrator's liability towards the Index Users shall be specified in the Licence Agreement for Using the Index.

3. KEY ELEMENTS OF THE METHOD OF DETERMINING THE INDEX

3.1. Definition and description of the Index

- 3.1.1. The Index is a total return index which takes into account changes in TS prices, accrued interest, and revenue from reinvested interest coupons.
- 3.1.2. The Index components are the TSs issued by the Ministry of Finance and traded in the organised wholesale market.
- 3.1.3. The Administrator classifies the Index as a non-significant benchmark within the meaning of the Benchmarks Regulation.

3.2. Description of the underlying market to be measured

- 3.2.1. TBSP.Index is a total return index, aimed at reflecting the performance of the wholesale market of fixed-interest and zero-coupon treasury bonds, issued by the Minister of Finance on behalf of the Polish State Treasury.
- 3.2.2. The purpose of the Index is to measure the capitalisation (value) of the TS portfolio of the Index, based on the "clean price" of the TS portfolio, including the value of the interest accrued and the income from reinvested interest coupons, and the monthly verification based on the market value of the issue of these TS.

3.3. Data used by the Administrator to Determine the Index

- 3.3.1. To determine the Index, the Administrator uses the Reference Prices as Input Data.
- 3.3.2. The Reference Prices are informative prices, understood as the price for PLN 100.00 of the nominal value of TS (the clean price), provided by BondSpot in relation to each series of TS listed on the Market, according to its own Rules of Setting the Reference Prices.
- 3.3.3. The Reference Prices represent the transactions in TSs concluded by the Market participants at the Fixing Sessions (or bindings offers of their conclusion).
- 3.3.4. In order to determine the Index, the Administrator, subject to the principles specified in point 4.2 of the Rules, uses:
 - a) TBSP.Price Reference Price from the first Fixing Session,
 - b) TBSP.Price Reference Price from the second Fixing Session, and
 - c) TBSP.fixPrice Reference Price, based on the TBSP.Price Reference Price, set by BondSpot after the last Fixing Session on that Trading Day on which it was possible to set the TBSP.fixPrice Reference Price.
- 3.3.5. When identifying BondSpot and the Reference Prices provided by BondSpot as the source of the Input Data, the Administrator considered the following criteria:
 - a) the Market to be measured by the Index, according to point 3.2 of the Rules,
 - b) the Definition of the Index according to point 3.1 of the Rules.
- 3.3.6. The Input Data used by the Administrator are considered as equivalent, which means that the Administrator has not specified any hierarchy of their use.
- 3.3.7. The Administrator indicates that the Method applied by BondSpot to determine the Input Data, that is the Reference Prices, is based on the hierarchy principle with priority given to transaction data.

- 3.3.8. In the process of determining the Index the Administrator shall not make use of any entities that contribute input data within the meaning of the Benchmarks Regulation.
- 3.3.9. The Method of Determining the Index does not provide for any extrapolation models or methods to be used by the Administrator.
- 3.3.10. In the process of providing the Index, the Administrator shall not exercise expert judgement or discretion as regards the Input Data.
- 3.4. Environmental, social and governance factors ("ESG" factors)
 - 3.4.1. The method of determining the TBSP.Index currently does not take into account the fulfilling of environmental, social policy and governance objectives,
 - 3.4.2. TBSP.Index does not qualify as an EU Climate Transition Benchmark or an EU Paris-aligned Benchmark.
 - 3.4.3. The method of determining the TBSP.Index does not include pursuing the targets of reducing carbon dioxide emissions or achieving the objectives of the Paris Agreement.

4. DETAILED RULES OF CONSTRUCTION OF THE INDEX

- 4.1. Basic Index Parameters
 - 4.1.1. The Index base date is 29 December 2006.
 - 4.1.2. The Index value as of the base date is 1,000.00 points.
 - 4.1.3. The capitalisation of the Index Portfolio as of the base date is PLN 256,237,055,002.63.
 - 4.1.4. The Index value is determined with accuracy to the second decimal place.
- 4.2. Rules on determining the Index
 - 4.2.1. The Index value is determined three times during the Trading Day, where:
 - a) the initial Index value is determined based on the TBSP.Price reference prices set at the first TBSP.Price Session held on the Market on this Trading Day, and if the TBSP.Price reference prices are not set for a given series in the Index Portfolio, the initial Index value is determined based on the last TBSP.fixPrice reference price for this bond series,
 - b) the final Index value is determined based on the TBSP.Price reference prices set at the second TBSP.Price Session on this Trading Day,
 - c) the closing value of the Index is determined based on the TBSP.fixPrice reference prices set by BondSpot in accordance with the Rules of Setting the Reference Prices.
 - 4.2.2. The Index value is determined according to the following formulas:

$$I_t = \frac{M_t}{M_0 \cdot K_t} \cdot I_0$$

where:

$$M_t = \sum_{i=1}^I (P_i + O_i) \cdot N_i$$

where:

I_t – current Index value;

I_0 – Index value on the base date;

M_t – current capitalisation of the Index Portfolio;

M_0 – capitalisation of the Index Portfolio on the base date;

K_t – Adjustment Coefficient;

P_i – clean price of TS (the Reference Price times the nominal value of TS);

O_i – value of interest payable on a given day, taking into account the settlement cycle of the transaction;

N_i – number of TS of the given series in the Index Portfolio.

4.3. Rules on publication of the Index value

4.3.1. The Index value is published three times during the Trading Day, where:

- a) the initial Index value is published at 10:15 am on the Trading Day on the Market;
- b) the final Index value is published at 4:45 pm on the Trading Day on the Market;
- c) the closing Index value is published at 5:20 pm on the Trading Day on the Market.

4.3.2. If the time of setting the Reference Price on a given Trading Day is changed, the Index value is published within 5 minutes from determining the Reference Price.

4.3.3. In exceptional cases, the Administrator may:

- a) delay the publication of the Index value,
- b) cancel the publication of the Index value.

4.3.4. In situations referred to in points 4.3.2 and 4.3.3, the Administrator publishes the information on his decision immediately, together with the reasons for the decision.

4.3.5. The Index values and the information referred to in point 4.3.4 are published by the Administrator on its website.

4.3.6 The initial Index value published by the Administrator referred to in point 4.3.1.a) and the final Index value referred to in point 4.3.1.b) are solely of informative nature. The value that reflects the performance of the wholesale market of fixed-interest and zero-coupon treasury bonds issued by the Minister of Finance on behalf of the State Treasury, and that fulfils the purpose of the Index in full – that is the measure of capitalisation (value) of the TS portfolio of the Index, based on the “clean price” of the TS portfolio, including the value of the interest accrued and the income from reinvested interest coupons, and including the capitalisation subject to the monthly verification based on the market value of the issue of these TS – is the closing Index value published by the Administrator at 5:20 pm on a given Trading Day on the Market referred to in point 4.3.1.c).

- 4.3.7. With view to the above, the Administrator recommends that the Index Users use the Index with its closing value referred to in point 4.3.1.b), within the meaning of the Benchmarks Regulation.

4.4. Change of the Index Portfolio and current Index adjustment

- 4.4.1. The Administrator makes periodic changes in the Index Portfolio.
- 4.4.2. A periodic change of the Index Portfolio is made by the Administrator once in a month and it consists in:
- a) removal from the Index Portfolio of those TSs, which starting from the next calendar month are due to be redeemed after a 6-month period, or
 - b) adding to the Index Portfolio the TS for which:
 - (i) on the third Trading Day referred to in point 4.4.3 the TBSP.Price reference price on the second TBSP.Price session was set, and
 - (ii) their nominal value is above PLN 5 billion,
 - c) changing the number of TS of a given series in the Index Portfolio.
- 4.4.3. The changes referred to in point 4.4.2, subject to point 4.4.6, are made as of the TS on the third Trading Day before the calendar month to which such changes will pertain. The Administrator publishes such changes at least two Trading Days before the calendar month to which such changes will pertain.
- 4.4.4. The changes referred to in point 4.4.2 take place on the first Trading Day of the given calendar month.
- 4.4.5. When making changes to the Index Portfolio, the Administrator recalculates also the Adjustment Coefficient.
- 4.4.6. The Administrator makes extraordinary changes in the Index Portfolio if a given TS series is removed by BondSpot from the TS list in relation to which the Reference Price is set, if such removal takes place in the course of a procedure other than the procedure resulting from the rules specified in point 4.4.2 a).
- 4.4.7. The Administrator adjusts the Index value on an ongoing basis. The ongoing Index adjustment consists in reinvestment of interest payments and is carried out by recalculating the Adjustment Coefficient at the end of the Trading Day on which a given TS series is listed for the last time in a given interest period "with interest rights".
- 4.4.8. In cases referred to in points 4.4.1–4.4.7, the Adjustment Coefficient is recalculated according to the following formula:

$$K_t = \frac{M_t + Q_t - Z_t - O_t}{M_t} \cdot K'_t$$

where:

K_t – new value of the Adjustment Coefficient;

K'_t – present value of the Adjustment Coefficient;

M_t – current capitalisation of the Index Portfolio;

Q_t – market value of the TS added to the Index Portfolio, calculated based on the Reference Prices including the accrued interest;

Z_t – market value of the TS removed from the Index Portfolio, calculated based on the Reference Prices including the accrued interest;

O_t – value of interest to be paid in a given interest period.

5. CHANGES TO THE METHOD AND CESSATION OF PROVIDING THE INDEX

5.1. Cyclical review of the Definitions and the Method

- 5.1.1. The Oversight Committee for Capital Market Benchmarks shall, at least once a year, review the Definitions and Method of the TBSP.Index, the Key Elements of the Method and the materiality thresholds ('the cyclical review').
- 5.1.2. The Management Board shall be responsible for preparing and updating the cyclical review plan.
- 5.1.3. In preparing the cyclical review plan, the Management Board should take into account:
 - a) suggestions by the Oversight Committee,
 - b) requirements for the development of benchmarks resulting from current legislation,
 - c) analysis of the underlying market,
 - d) any errors, emergencies and difficulties occurring during the year in the process of determining the Index,
 - e) any submitted complaints and any infringements concerning the Index determination process.
- 5.1.4. The Oversight Committee approves the plan of the cyclical review prepared by the Management Board. The Oversight Committee shall have the right to introduce changes and additions to the draft plan prepared by the Management Board.
- 5.1.5. The Management Board shall be responsible for carrying out the analyses in accordance with the plan and for submitting the results to the Oversight Committee in a timely manner in form of a report.
- 5.1.6. The Oversight Committee may submit a request to the Management Board for carrying out additional analyses if it deems them necessary for the review of the Definition and Method.
- 5.1.7. Having considered the report referred to in point 5.1.5, the Oversight Committee may accept or reject the conclusions of a given report of the Management Board. If the Management Board's conclusions presented in the report are adopted, the cyclical review of the definition and Method shall be deemed complete and the Oversight Committee shall adopt a resolution on approval of its results.
- 5.1.8. If the conclusions of the Management Board's report referred to in point 5.1.5 are rejected, the Oversight Committee may request additional analyses or submit its own recommendation on the results of the cyclical review.
- 5.1.9. The Management Board shall be responsible for conducting additional analyses of the recommendations referred to in point 5.1.8, presenting them to the Management Board and submitting conclusions of these analyses in form of a supplement to the report submitted to the Oversight Committee in accordance with point 5.1.5. The deadline for submitting the supplement to the report shall be set by the Oversight Committee, upon consultation with the Management Board.

5.1.10. Having considered the supplemented report of the Management Board, the Oversight Committee shall adopt a resolution regarding the approval of the results of the cyclical review presented in the report of the Management Board. At the same time, the Oversight Committee may adopt a recommendation as regards:

- a) changes in the definition or the Index Method, or
- b) changes to the Key Elements of the Method or materiality thresholds.

5.2. Change in the Definition or the Index Method

5.2.1 A change in the Definition or the Method shall be initiated, in particular on the basis of the cyclical review conclusions, on the basis of:

- a) recommendations of the Oversight Committee to the Management Board or
- b) a proposal of the Management Board to the Oversight Committee.

5.2.2 Determination whether the change is of a material or non-material nature shall be made by the Management Board and subject to approval of the Oversight Committee. The determination shall be made in accordance with the definition of the 'material change in the Method' by:

- a) determining whether the proposal for the change relates to the Key Elements of the Method; if not, the change is considered non-material and subject to the procedure set out in point 5.2.4, if yes, the change is subject to point (b);
- b) conducting a counterfactual test, consisting in comparing the model Index in the adopted reference period with the historical values of the Index in order to verify whether the adopted materiality thresholds for the proposed change are exceeded. If the results of the counterfactual test indicate that the change causes at least two of the materiality thresholds to be exceeded, it is considered to be a material change and thus subject to the procedure set out in points 5.2.7 to 5.2.11; otherwise the change is considered to be non-material and subject to the procedure set out in point 5.2.4.

5.2.3 If it is not possible to perform the counterfactual test referred to in point 5.2.2 (b) due to the nature of the change or the lack of historical values for the elements of the Method subject to change, the change shall be considered to be non-material.

5.2.4 If the Oversight Committee accepts the assessment of the proposed change as non-material in accordance with 5.2.2 (a) or 5.2.3, the Management Board shall:

- a) obtain the approval of the Oversight Committee as to the content of the proposed amendments to the Rules, and consequently
- b) implement the change through amendments to the Rules in accordance with the procedure of their entry into force.

5.2.5 The Oversight Committee has the right to recommend to the Management Board that a public consultation be conducted regarding a proposed Method change which is considered non-material, if there are grounds for applying such a consultation procedure for the purpose of clarity, transparency of the Administrator's activities and the stability and security of trading in financial instruments. In such case, the change shall be introduced according to point 3.12.

5.2.6 Update of the Method through explanation or clarification of the existing rules, amendments to the text that do not change the meaning of the Method elements

including the definition of the Index, shall not constitute a material change to the Method.

5.2.7 Based on the assessment of the proposed change as material, the Management Board shall prepare a report taking into account the draft timetable for the introduction of the material change to the Method and the impact assessment of the proposed material change, which should take into account the following factors:

- a) justification for the need to change the Method, including the impact of the change on the Index determination process and its usability for the Users,
- b) the scope of consultations and potential stakeholders,
- c) any new obligations of the Administrator, the entities supplying the input data used by the Administrator, and the Users,
- d) potential implications for IT systems,
- e) the impact of the change on the content of the documentation specifying the rules of constructing the Index and publishing the value of the Index,
- f) a possible impact of the change on the risk, budget and operating costs of the Administrator.

5.2.8 The Management Board may take into account the results of the actions referred to in point 5.2.2, taking into account point 5.2.3 and the report referred to in point 5.2.7, in the request to the Oversight Committee referred to in point 5.1.2.

5.2.9 On the basis of the request of the Management Board and the presented impact assessment, the Oversight Committee may recommend:

- a) launching a public consultation on the material change,
- b) modification of the proposal for a material change,
- c) resignation from the proposed material change.

5.2.10 Then, the Management Board:

- a) upon receiving the recommendation from point 5.2.9 (a), shall immediately initiate the consultation procedure for the proposed change of the Method,
- b) upon receiving the recommendation from point 5.2.9 (b) or (c) – shall agree with the Oversight Committee a proposal for the material change in order to obtain its approval, or shall decide to resign from the proposed change of the Method.

5.3. Procedure of material change consultation

5.3.1 Upon the approval of the Oversight Committee as regards the proposed change, the Management Board shall prepare a consultation document describing the proposed material change to the Method and an impact assessment of the proposed change taking into account the list of factors referred to in point 5.2.7 (a)-(c).

5.3.2 The Management Board shall send a consultation document to the stakeholders and publish it on the Administrator's website, setting out the deadline and form in which comments are to be submitted. The stakeholders shall in particular include the Index Users.

- 5.3.3 After the expiry of the time limit indicated for submitting the comments, the Management Board shall prepare a public summary of the comments received. Confidentiality shall be maintained in the summary of the comments received and the information shall be presented in aggregated form together with a list of stakeholders who participated in consultations. The Management Board shall inform all the identified stakeholders of the results of the consultation.
 - 5.3.4 On the basis of the consultation results, the Management Board may decide on:
 - a) implementation of the change in the Method, according to the adopted timetable,
 - b) modification of the proposal to change the Method and a reassessment of its impact in full or in part,
 - c) resignation from changing the Method.
 - 5.3.5 In the case referred to in point 5.3.4 (b), the Management Board shall conduct a procedure to reach agreement with the Oversight Committee as regards the modification of the change proposal, in accordance with points 5.2.4 – 5.2.7.
 - 5.3.6. In the event that of any of the decisions described in points 5.2.12.b), c) or d), is made, before making such decision the Management Board shall consult with the Oversight Committee, although the Committee's opinion is not binding for the Management Board.
 - 5.3.6 In the case referred to in point 5.3.4 (c), the Management Board shall inform the Oversight Committee of its decision.
 - 5.4 The Management Board shall publish information about any amendments to the Rules and the dates of their entry into force on the Administrator's website, in accordance with the rules adopted in point 6.2 ("Amendments to the Rules").
 - 5.5. Cessation of provision of the Index
 - 5.5.1. The Administrator may decide to cease to provide the Index, in particular when one of the following situations occurs:
 - a) lack of market interest,
 - b) change of the economic reality which the Index was aimed to measure,
 - c) obtaining the Input Data is impossible or difficult,
 - d) the Administrator has not obtained an authorisation before the deadline after which the Index may not be used by supervised contributors within the meaning of the Benchmarks Regulation,
 - e) it is impossible to provide the Index in a way consistent with the Benchmarks Regulation, due to reasons beyond the Administrator's control.
 - f) the KNF has revoked the authorisation granted to the Administrator or registration of the Administrator.
 - 5.5.2. The Administrator's decision to cease to provide the Index due to reasons specified in points 5.5.1.a) and 5.5.1.c) shall require consultation with the Oversight Committee.
 - 5.5.3. The opinion referred to in point 5.5.2 should include at least an unequivocal stand of the Oversight Committee on the possibility of ceasing to provide the Index, together with the arguments supported by appropriate quantitative and qualitative analyses.

- 5.5.4. The Administrator shall take the opinion referred to in point 5.3.3 into account before making the decision to cease the provision of the Index.
- 5.5.5. The information on ceasing the provision of the Index, together with its effective date, is published in accordance with point 2.4.1.
- 5.5.6. After the date referred to in point 5.5.5, the Administrator ceases to provide the Index. Any Agreements concerning the use of the Index are terminated as of the date on which the Index ceases to be provided, and the Administrator shall notify this immediately to all entities being parties to such agreements.

6. FINAL PROVISIONS

- 6.1. Extraordinary waiver
 - 6.1.1. Having regard to the security of trading and the interest of market participants, the Administrator, upon consultation with the Oversight Committee may waive specific provisions of the Rules.
- 6.2. Amendments to the Rules
 - 6.2.1. The Administrator, upon obtaining a positive opinion from the Oversight Committee, may amend these Rules.
 - 6.2.2. The amended Rules shall be made available in a way specified in point 2.4.1.
 - 6.2.3. The amended Rules shall become effective as of the date indicated in the information on the amendment to the Rules, and no sooner than 30 days after the amended Rules are made available in a way specified in point 2.4.1.
 - 6.2.4. The Administrator may decide that the amendments to the Rules become effective before the date indicated in point 6.2.3 if the amendment is aimed at adjusting the Rules to the applicable legislation or if it follows a KNF decision.
- 6.3. Effective date of the Rules
 - 6.3.1. The Rules shall become effective on 30h April 2020.

Annex 1. The "material change" of the TBSP.Index

- 1. Material change of the TBSP.Index Method is a change of the Key Element of the Method that results in exceeding of at least 2 materiality thresholds.
- 2. For the purposes of defining a material change to the Method, the Administrator has defined the following Key Elements of the TBSP.Index Method:
 - 1. Change of the market or economic reality measured by the Index - otherwise its definition.
 - 2. Change in the number of constituents.
 - 3. Change in the principles of qualifying constituents to the index, including the so-called basic criteria¹ and other additional elements

4. Change in the rules of determining the weights of constituents.
 5. Change in the method of developing parametrisation data, which is the element of the method related to the composition of the index portfolio.
 6. Change of algorithms included in the Index method.
 7. Change in the index publication rules, such as its frequency (timetable), except for a change in the form of publication on the GPW Benchmark website.
3. As part of the process of testing the materiality of a change in the Method, the Administrator has introduced materiality thresholds that verify the scale and scope of consequences of a change of the Key Element of the Method, which define the limits beyond which the change of the measurement method will be treated as a material change. The test is carried out with the use of a counterfactual test of the model Index taking into account the planned change of the Method and the historical Index values in the reference period.
4. The materiality thresholds apply to the following Index parameters:
- the average daily change in value,
 - average volatility,
 - average daily value.
5. The materiality threshold levels are proposed by the Management Board and require the approval of the Oversight Committee.

¹ TBSP.Index basic criteria:

- Treasury securities (TS) with a fixed interest rate and zero-coupon bonds issued by the Minister of Finance on behalf of the State Treasury
- nominal value of TS exceeds PLN 5 billion
- maturity date of TS is longer than 6 months, starting from the next calendar month