Guideline relating the

Solactive Faktor Index Family

Version 1.1 dated September 30th, 2013

This document contains the underlying principles and regulations regarding the structure and the operating of the Solactive Faktor Index Family. Solactive AG shall make every effort to implement regulations. Solactive AG does not offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the Index nor the Index value at any certain point in time nor in any other respect. The Index is merely calculated and published by Solactive AG and it strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for Solactive AG – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the Index. The publication of the Index by Solactive AG is no recommendation for capital investment and does not contain any assurance or opinion of Solactive AG regarding a possible investment in a financial instrument based on this Index.

Introduction

This document is to be used as a guideline with regard to the composition, calculation and management of the Solactive Faktor Index Family. The Solactive Faktor Index Family is calculated and published by Solactive AG. Solactive AG reserves all rights relating to the index family.

1 Index specifications

The Solactive Faktor Index Family (consisting of a number of single indices, herinafter called **„the Indices"**) tracks the investment into an underlying asset according to a specific level of leverage and in some cases taking into account interest rates and fees.

1.1 Short name

The single Indices of the Solactive Faktor Index Family are distributed under the identifiers stated in the appendix.

1.2 Initial value

The initial values of the single indices and their base dates are stated in the appendix.

1.3 Distribution

The Solactive Faktor Index Family is published via the price marketing services of Boerse Stuttgart AG and is distributed to all affiliated vendors. Each vendor decides on an individual basis as to whether it will distribute/display the Solactive Faktor Index Family via its information systems.

1.4 Prices and calculation frequency

The Indices are calculated from Monday to Friday (each a **„Business Day"**) based on the prices of the respective underlying assets. During the times of **"Live Calculation"** the Indices are calculated based on the most recent prices; the **"Closing Calculation"** is conducted based on the **"Official Close"** of the respective asset. In case there is no current price available during the time of Live Calculation, the most recent one is used or the most recent Official Close or **"Official Adjustment Price"** of the most recent Calculation Period.

In the event that data cannot be provided to the pricing services of Boerse Stuttgart AG the Indices cannot be distributed.

Any materially incorrect calculation is adjusted on a retrospective basis.

2 Calculation of the Solactive Faktor Index Family

2.1 Formula

The Solactive Faktor Index Family is calculated according to the following formula:

$$Index_t = Index_{t-1} * \left[1 + F * \left(\frac{P_t}{P_{t-1}} - 1\right) + ((1-F)I_t + F * c)\frac{d}{360}\right] - F\sum_{j=s}^{t-1}\left(\frac{Index_j * q_j}{360}\right)$$

with the following „**Calculation Parameters**"

t: Current time of calculation
$Index_{t-1}$: Index Close of the previous Calculation Period
F: Leverage factor
P_t: Current price of the asset
P_{t-1} : Official Close of the asset in the preceding Calculation Period or Official Adjustment Price of the asset in the preceding calculation period
I: Interest rate p.a. (if applicable)
c: Lending fee p.a. (if applicable)
d: Number of calendar days between the current calendar day and the calendar day of the most recent Ordinary Adjustment; immediately following an Ordinary Adjustment d=1, immediately following an Extraordinary Adjustment until the subsequent Ordinary Adjustment d=0.
s: Base date
q: Quanto fee p.a. (if applicable)

2.2 Calculation precision

The index value is rounded to two decimal places.

2.3 Ordinary Adjustments

On every Business Day, based on the Closing Calculation the adjustment process is launched (**"Ordinary Adjustment"**). In the course of this process there is a transition of the Calculation Period, i.e. the calculation parameters of the period T are rolled into the period T-1 and a new calculation period T is launched.

2.4 Extraordinary Adjustments

If at any point in time in a Calculation Period the following condition is met, an Extraordinary Adjustment is initiated: $P_t < [P_{t-1} * (1+Knockoutlevel)]$. The procedure is analogous to 2.3, whereas the price immediately after the price which fulfills the condition in the preceding sentence is defined as the Official Adjustment Price.

2.5 Distributions

In case of a distribution (cash dividend, special dividend etc.) of an asset, the amount of the distribution (adjusted for any taxes or fees if applicable) is subtracted from the previous Official Close at the start of calculation on the ex day.

2.6 Capital changes and other events

In case of capital changes or other events (splits, stock dividends, rights issues, spin-offs, etc.) relating to an asset, the previous Official Close of the asset is corrected at the start of calculation on the ex day in such a way that the index level is unchanged by the respective event.

Appendix 1

Name	ISIN	RIC	Initial value	Base date	Underlying Asset	Live Calculation	Closing Calculation	Official Close	Leverage	Knockout level	Interest rate
Silber Long Index Faktor 2	DE000SLA1AG8	.SILLONG2	100	15.10.2012	Silver Spot	09:00-13:10 MEZ; 13:15-22:30 MEZ	13:10 MEZ	London Silber Fixing	2	-25%	Federal Funds Effective Rate
Silber Long Index Faktor 4	DE000SLA2AH4	.SILLONG4	100	15.10.2012	Silver Spot	09:00-13:10 MEZ; 13:15-22:30 MEZ	13:10 MEZ	London Silber Fixing	4	-12.5%	Federal Funds Effective Rate
Silber Long Index Faktor 6	DE000SLA2AK8	.SILLONG6	100	27.02.2013	Silver Spot	09:00-13:10 MEZ; 13:15-22:30 MEZ	13:10 MEZ	London Silber Fixing	6	-8.3333%	Federal Funds Effective Rate
Silber Short Index Faktor 2	DE000SLA4AG2	.SILSHRT2	100	15.10.2012	Silver Spot	09:00-13:10 MEZ; 13:15-22:30 MEZ	13:10 MEZ	London Silber Fixing	-2	25%	Federal Funds Effective Rate
Silber Short Index Faktor 4	DE000SLA5AG9	.SILSHRT4	100	15.10.2012	Silver Spot	09:00-13:10 MEZ; 13:15-22:30 MEZ	13:10 MEZ	London Silber Fixing	-4	12.5%	Federal Funds Effective Rate
Silber Short Index Faktor 6	DE000SLA2AL6	.SILSHRT6	100	27.02.2013	Silver Spot	09:00-13:10 MEZ; 13:15-22:30 MEZ	13:10 MEZ	London Silber Fixing	-6	8.3333%	Federal Funds Effective Rate

Appendix 2

Contact

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Appendix 3

Faktor Index Family „Bund and BTP future"

The following procedures apply to the Faktor Index Family „Bund and BTP future":

As the Index Family uses a futures contract as the Underlying Asset, before the expiry of the contract currently used in the index there needs to be an exchange of the currently used futures contract (expiring futures contract) and the subsequently expiring one (new futures contract) (**„Rolling"**). The Rolling is conducted in the course of the Closing Calculation on the fourth Business Day before the Business Day on which the currently used futures contract is last traded (**"Rolling Day"**). The procedure is as follows:

1) On the Rolling Day the Closing Calculation is conducted based on the Official Close of the expiring futures contract.
2) Subsequent to the Closing Calculation the Official Close of the new futures contract is set as P_{t-1}.
3) As soon as the index calculation is launched again, the prices of the new futures contract are used as P_t.

The factors I, c and q are zero for the Index Family „Bund and BTP future".

Therefore the calculation formula of the Faktor Index Family „Bund and BTP future" simplifies to:

$$Index_t = Index_{t-1} * \left[1 + F * \left(\frac{P_t}{P_{t-1}} - 1\right)\right]$$

with

t: Current time of calculation
$Index_{t-1}$: Index Close of the previous Calculation Period
F: Leverage factor
P_t: Current price of the asset
P_{t-1} : Official Close of the asset in the preceding Calculation Period or Official Adjustment Price of the asset in the preceding calculation period

Name	Underlying Asset	Live Calculation	Closing Calculation	Official Close	Leverage	Knockoutlevel
Euro Bund Future Long Index Faktor 5	Euro Bund Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	5	-10%
Euro Bund Future Long Faktor 10	Euro Bund Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	10	-5%
Euro Bund Future Long Index Faktor 15	Euro Bund Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	15	-3.3333%
Euro Bund Future Short Index Faktor 5	Euro Bund Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	-5	10%
Euro Bund Future Short Index Faktor 10	Euro Bund Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	-10	5%
Euro Bund Future Short Index Faktor 15	Euro Bund Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	-15	3.3333%
Long-Term Euro BTP Future Long Index Faktor 5	Euro BTP Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	5	-10%
Long-Term Euro BTP Future Short Index Faktor 5	Euro BTP Future	09:00-17:45 MEZ; 17:50-22:50 MEZ	17:45 MEZ	Settlement	-5	10%