



Guideline relating the

US M&A Basket Index

Version 1.1 dated November 19th, 2013

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This document contains the underlying principles and regulations regarding the structure and the operating of the US M&A Basket Index. 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 US M&A Basket Index. Any changes made to the guideline are initiated by the Committee specified in section 1.6. The US M&A Basket Index is calculated and published by Solactive AG.

## 1 Index specifications

The US M&A Basket Index (“US M&A Basket”, the “**Index**”) is an Index of Solactive AG and is calculated and distributed by this provider.

The Index is published in USD.

### 1.1 Short name and ISIN

The US M&A Basket Index is distributed under ISIN DE000SLA9MA9; the WKN is SLA9MA. The Index is published in Reuters under the code <.USMNA> and in Bloomberg with ticker <USMNA Index>.

### 1.2 Initial value

The Index is based on 100 as at the close of trading on the start date of 19.11.2013.

### 1.3 Distribution

The US M&A Basket Index 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 he will distribute/display the US M&A Basket Index via his information systems.

### 1.4 Prices and calculation frequency

The price of the US M&A Basket Index is calculated on each Business Day based on the prices on the respective Exchanges on which the Index Components are listed. The most recent prices of all Index Components are used. Prices of Index Components not listed in the Index Currency are translated using spot foreign exchange rates quoted by Reuters. Should there be no current price available on Reuters, the most recent price or the Trading Price on Reuters for the preceding Trading Day is used in the calculation.

The US M&A Basket Index is calculated every Business Day from 9:00am to 10:30pm, CET. In the event that data cannot be provided to Reuters or to the pricing services of Boerse Stuttgart AG the Index cannot be distributed.

Any incorrect calculation is adjusted on a retrospective basis.

### 1.5 Weighting

On the start date the Index Components of the US M&A Basket Index are weighted equally.

## **1.6 Decision-making bodies**

A Committee composed of staff from Solactive AG is responsible for decisions regarding the composition of the US M&A Basket Index as well as any amendments to the rules ( in this document referred to as the "**Committee**" or the "**Index Committee**"). The future composition of the US M&A Basket Index is set by the Committee. The Committee shall also decide about the future composition of the US M&A Basket Index if any Extraordinary Events should occur and the implementation of any necessary adjustments

Members of the Committee can recommend at any time changes to the composition of the Index or to the guideline and submit them to the Committee for approval.

## **1.7 Publication**

All specifications and information relevant for calculating the Index are made available on the <http://www.solactive.com> web page and sub-pages.

## **1.8 Licencing**

Licences to use the Index as the underlying value for derivative instruments are issued to stock exchanges, banks, financial services providers and investment houses by Solactive AG.

## 2 Composition of the Index

### 2.1 Selection of the Index Components

The composition of the Index is based on the following rules:

At the start of the Index selected companies from the United States of America are chosen to be a part of the Index. The Index includes 176 companies on the start date which are considered for potential mergers & acquisitions activity in the future.

The Committee has determined the start allocation as follows:

<b>Ticker</b>	<b>Name</b>	<b>ISIN</b>	<b>Weight</b>
AAP UN Equity	ADV.AUTO PARTS	US00751Y1064	0.57%
AGN UN Equity	ALLERGAN INC	US0184901025	0.57%
AKS UN Equity	AK STEEL HOLDING CORP	US0015471081	0.57%
ALDW UN Equity	ALON USA PARTNERS LP	US02052T1097	0.57%
ALGN UW EQUITY	ALIGN TECHNOLOGY INC	US0162551016	0.57%
ALJ UN Equity	ALON USA ENERGY INC	US0205201025	0.57%
ALKS UW Equity	ALKERMES PLC	IE00B56GVS15	0.57%
AMD UN Equity	ADVANCED MICRO DEVICES	US0079031078	0.57%
AMRN UQ Equity	AMARIN CORPORATION PLC -ADR	US0231112063	0.57%
APC UN Equity	ANADARKO PETROLEUM CORP	US0325111070	0.57%
AREX UW Equity	APPROACH RESOURCES INC	US03834A1034	0.57%
ARIA UW Equity	ARIAD PHARMACEUTICALS INC	US04033A1007	0.57%
ARUN UW Equity	ARUBA NETWORKS INC	US0431761065	0.57%
ATHL UN Equity	ATHLON ENERGY INC	US0474771047	0.57%
ATK UN Equity	ALLIANT TECHSYSTEMS INC	US0188041042	0.57%
AUXL UW Equity	AUXILIUM PHARMACEUTICALS INC	US05334D1072	0.57%
AVAV UW Equity	AEROVIRONMENT INC	US0080731088	0.57%
AWAY UW Equity	HomeAway Inc.	US43739Q1004	0.57%
AYI UN Equity	ACUITY BRANDS INC	US00508Y1029	0.57%
BCEI UN Equity	BONANZA CREEK ENERGY INC	US0977931031	0.57%
BEAM UN Equity	BEAM INC	US0737301038	0.57%
BEAV UW Equity	B/E AEROSPACE INC	US0733021010	0.57%
BKS UN equity	BARNES & NOBLE INC	US0677741094	0.57%
BLOX UN Equity	INFOBLOX INC	US45672H1041	0.57%
BMRN UW Equity	BIOMARIN PHARMACEUTICAL INC	US09061G1013	0.57%
BRE UN EQUITY	BRE PROPERTIES INC	US05564E1064	0.57%
BSFT UW Equity	BROADSOFT INC	US11133B4095	0.57%
BV UW Equity	BAZAARVOICE INC	US0732711082	0.57%
CBST UW Equity	CUBIST PHARMACEUTICALS INC	US2296781071	0.57%
CHK UN Equity	CHESAPEAKE ENERGY CORP	US1651671075	0.57%
CLR UN Equity	CONTINENTAL RESOURCES INC/OK	US2120151012	0.57%
CMC UN Equity	COMMERCIAL METALS CO	US2017231034	0.57%
CNC UN Equity	CENTENE	US15135B1017	0.57%
CNQR UW Equity	CONCUR TECHNOLOGIES INC	US2067081099	0.57%
COG UN Equity	CABOT OIL & GAS CORP	US1270971039	0.57%
COL UN Equity	Rockwell Collins Inc	US7743411016	0.57%
CPHD UW EQUITY	CEPHEID INC	US15670R1077	0.57%
CPN UN Equity	Calpine Corp	US1313473043	0.57%
CREE UW Equity	CREE INC	US2254471012	0.57%
CROX UW Equity	CROCS	US2270461096	0.57%

CVE UN Equity	CENOVUS ENERGY INC	CA15135U1093	0.57%
CVLT UW Equity	COMMVAULT SYSTEMS INC	US2041661024	0.57%
CXO UN Equity	CONCHO RESOURCES INC	US20605P1012	0.57%
CYNI UN Equity	CYAN INC	US23247W1045	0.57%
DECK UW Equity	Deckers Outdoor Corp	US2435371073	0.57%
DISH UW Equity	DISH NETWORK CORP-A	US25470M1099	0.57%
DOX UN Equity	AMDOCS LTD	GB0022569080	0.57%
DWA UW Equity	DREAMWORKS ANIMATION SKG-A	US26153C1036	0.57%
DYN UN Equity	DYNEGY INC	US26817R1086	0.57%
ECA UN Equity	ENCANA CORP	CA2925051047	0.57%
EOG UN Equity	EOG RESOURCES INC	US26875P1012	0.57%
ESL UN EQUITY	ESTERLINE TECHNOLOGIES CORP	US2974251009	0.57%
EW UN Equity	EDWARDS LIFESCIENCES CORP	US28176E1082	0.57%
EXLS UW Equity	ExlService Holdings Inc	US3020811044	0.57%
FIO UN Equity	Fusion-io Inc	US36112J1079	0.57%
FLIR UW Equity	FLIR SYSTEMS INC	US3024451011	0.57%
FORM UW Equity	FORMFACTOR INC	US3463751087	0.57%
FRC UN Equity	First Republic Bank	US33616C1009	0.57%
FRX UN Equity	FOREST LABORATORIES INC	US3458381064	0.57%
FST UN Equity	FOREST OIL CORP	US3460917053	0.57%
GDOT UN Equity	Green Dot Corp	US39304D1028	0.57%
GDP UN Equity	GOODRICH PETROLEUM CORP	US3824104059	0.57%
GIMO UN Equity	GIGAMON INC	US37518B1026	0.57%
GPN UN Equity	GLOBAL PAYMENTS INC	US37940X1028	0.57%
GPOR UW Equity	GULFPORT ENERGY CORP	US4026353049	0.57%
HES UN Equity	HESS CORP	US42809H1077	0.57%
HITT UW Equity	Hittite Microwave Corp	US43365Y1047	0.57%
HK UN Equity	HALCON RESOURCES CORP	US40537Q2093	0.57%
HNT UN Equity	Health Net Inc	US42222G1085	0.57%
HOG UN Equity	Harley Davidson Inc	US4128221086	0.57%
HOLX UW EQUITY	HOLOGIC INC	US4364401012	0.57%
HPY UN Equity	HEARTLAND PAYMENT SYSTEMS IN	US42235N1081	0.57%
HRC UN Equity	HILL-ROM HOLDINGS INC	US4314751029	0.57%
HRS UN Equity	HARRIS CORP	US4138751056	0.57%
HSH UN Equity	HILLSHIRE BRANDS CO	US4325891095	0.57%
HTWR UW Equity	HEARTWARE INTERNATIONAL INC	US4223681002	0.57%
HXL UN Equity	HEXCEL	US4282911084	0.57%
INFA UW Equity	INFORMATICA CORP	US45666Q1022	0.57%
INFI UW Equity	INFINITY PHARMACEUTICALS INC	US45665G3039	0.57%
INVN UN Equity	InvenSense Inc	US46123D2053	0.57%
IRWD UW Equity	Ironwood Pharmaceuticals Inc	US46333X1081	0.57%
ITMN UW Equity	INTERMUNE INC	US45884X1037	0.57%
JAZZ UW Equity	JAZZ PHARMACEUTICALS PLC	IE00B4Q5ZN47	0.57%
JIVE UW Equity	JIVE SOFTWARE INC	US47760A1088	0.57%
JOY UN Equity	JOY GLOBAL	US4811651086	0.57%
KOG UN Equity	KODIAK OIL & GAS CORP	CA50015Q1000	0.57%
KWK UN Equity	QUICKSILVER RESOURCES INC	US74837R1041	0.57%
KYTH UW Equity	KYTHERA BIOPHARMACEUTICALS I	US5015701056	0.57%
LLL UN Equity	L-3 COMMUNICATIONS HOLDINGS	US5024241045	0.57%
LO UN Equity	Lorillard Inc.	US5441471019	0.57%
LPI UN Equity	LAREDO PETROLEUM HOLDINGS INC	US5168061068	0.57%
MAKO UW Equity	MAKO Surgical Corp	US5608791084	0.57%
MCP UN Equity	MOLYCOP INC	US6087531090	0.57%

MHR UN Equity	MAGNUM HUNTER RESOURCES CORP	US55973B1026	0.57%
MJN UN Equity	Mead Johnson Nutrition Co	US5828391061	0.57%
MKTO UW Equity	MARKETO INC	US57063L1070	0.57%
MNST UW Equity	MONSTER BEVERAGE CORP	US6117401017	0.57%
MOH UN Equity	MOLINA HEALTHCARE INC	US60855R1005	0.57%
MOS UN Equity	MOSAIC CO/THE	US61945C1036	0.57%
MPO UN Equity	MIDSTATES PETROLEUM CO INC	US59804T1007	0.57%
MRIN UN Equity	MARIN SOFTWARE INC	US56804T1060	0.57%
MRO UN Equity	MARATHON OIL CORP	US5658491064	0.57%
MUR UN Equity	MURPHY OIL CORP	US6267171022	0.57%
MWA UN Equity	MUELLER WATER PRODUCTS INC	US6247581084	0.57%
MWE UN Equity	MarkWest Energy Partners LP	US5707591005	0.57%
MWV UN Equity	MEADWESTVACO CORP	US5833341077	0.57%
MYL UW Equity	MYLAN INC	US6285301072	0.57%
NBL UN Equity	NOBLE ENERGY INC	US6550441058	0.57%
NBR UN Equity	NABORS INDUSTRIES LTD	BMG6359F1032	0.57%
NFLX UW Equity	NETFLIX INC	US64110L1061	0.57%
NFX UN Equity	NEWFIELD EXPLORATION CO	US6512901082	0.57%
NSH UN Equity	NuStar GP Holdings LLC	US67059L1026	0.57%
NTAP UW Equity	NETAPP INC	US64110D1046	0.57%
NTI UN Equity	NORTHERN TIER ENERGY LP	US6658261036	0.57%
NUVA UW Equity	NUVASIVE INC	US6707041058	0.57%
OAS UN Equity	OASIS PETROLEUM INC	US6742151086	0.57%
ONE UN Equity	Higher One Holdings Inc	US42983D1046	0.57%
OPEN UW Equity	OPENTABLE INC	US68372A1043	0.57%
OWW UN Equity	ORBITZ WORLDWIDE INC	US68557K1097	0.57%
OXY UN Equity	OCCIDENTAL PETROLEUM CORP	US6745991058	0.57%
PLCE UW equity	CHILDREN'S PLACE	US1689051076	0.57%
PXD UN Equity	PIONEER NATURAL RESOURCES CO	US7237871071	0.57%
QGEN UW Equity	QIAGEN N.V.	NL0000240000	0.57%
QLIK UW Equity	QLIK TECHNOLOGIES INC	US74733T1051	0.57%
RAD UN equity	RITE AID CORP	US7677541044	0.57%
RATE UN Equity	Bankrate Inc	US06647F1021	0.57%
RBCN UW Equity	RUBICON TECHNOLOGY INC	US78112T1079	0.57%
REG UN Equity	REGENCY CENTERS CORP	US7588491032	0.57%
REGN UW Equity	REGENERON PHARMACEUTICALS	US75886F1075	0.57%
RHT UN Equity	RED HAT INC	US7565771026	0.57%
RKUS UN Equity	RUCKUS WIRELESS INC	US7812201082	0.57%
ROC UN Equity	ROCKWOOD HOLDINGS INC	US7744151033	0.57%
ROSE UW Equity	ROSETTA RESOURCES INC	US7777793073	0.57%
RRC UN Equity	RANGE RESOURCES CORP	US75281A1097	0.57%
RTI UN Equity	RTI INTERNATIONAL METALS INC	US74973W1071	0.57%
SALE UW Equity	RETAILMENOT INC	US76132B1061	0.57%
SAPE UW Equity	SAPIENT CORPORATION	US8030621085	0.57%
SCOR UW Equity	COMSCORE INC	US20564W1053	0.57%
SD UN Equity	SANDRIDGE ENERGY INC	US80007P3073	0.57%
SIRO UW Equity	SIRONA DENTAL SYSTEMS INC	US82966C1036	0.57%
SLXP UW Equity	SALIX PHARMACEUTICALS LTD	US7954351067	0.57%
SNCR UW Equity	Synchronoss Technologies	US87157B1035	0.57%
SNI UN Equity	Scripps Networks Interactive	US8110651010	0.57%
SNV UN Equity	SYNOVUS FINANCIAL CORP	US87161C1053	0.57%
SPWR UW Equity	SUNPOWER CORP-CLASS A	US8676524064	0.57%
STLD UW Equity	STEEL DYNAMICS INC	US8581191009	0.57%

SUNE UN Equity	SUNEDISON INC	US86732Y1091	0.57%
SWN UN Equity	SOUTHWESTERN ENERGY CO	US8454671095	0.57%
TDG UN Equity	TransDigm Group Inc	US8936411003	0.57%
TEN UN EQUITY	TENNECO INC	US8803491054	0.57%
TEX UN Equity	TEREX CORP	US8807791038	0.57%
THOR UW Equity	THORATEC CORP	US8851753074	0.57%
TIBX UW Equity	TIBCO SOFTWARE INC	US88632Q1031	0.57%
TIVO UW Equity	TIVO INC	US8887061088	0.57%
TMUS UN Equity	T-MOBILE US INC	US8725901040	0.57%
TRIP UW Equity	TripAdvisor Inc.	US8969452015	0.57%
TRLA UN Equity	TRULIA INC	US8978881030	0.57%
TESLA UW Equity	TESLA MOTORS INC	US88160R1014	0.57%
TWC UN Equity	TIME WARNER CABLE	US88732J2078	0.57%
TXT UN Equity	TEXTRON INC	US8832031012	0.57%
UAM UN Equity	UNIVERSAL AMERICAN CORP	US91338E1010	0.57%
UPL UN Equity	ULTRA PETROLEUM CORP	CA9039141093	0.57%
VMC UN Equity	VULCAN MATERIALS CO	US9291601097	0.57%
VOLC UW Equity	VOLCANO CORP	US9286451003	0.57%
VPHM UW Equity	Viropharma Inc	US9282411084	0.57%
WAT UN Equity	WATERS CORP	US9418481035	0.57%
WBMD UW Equity	WEBMD HEALTH CORP	US94770V1026	0.57%
WCG UN Equity	WELLCARE HEALTH PLANS	US94946T1060	0.57%
WEN UW Equity	WENDYS CO	US95058W1009	0.57%
WETF UQ Equity	WISDOMTREE INVESTMENTS INC	US97717P1049	0.57%
WLL UN Equity	WHITING PETROLEUM CORP	US9663871021	0.57%
WLT UN Equity	WALTER ENERGY INC	US93317Q1058	0.57%
WPRT UW Equity	WESTPORT INNOVATIONS INC	CA9609083097	0.57%
WWAV UN EQUITY	WHITEWAVE FOODS CO.	US9662441057	0.57%
YELP UN Equity	YELP	US9858171054	0.57%
Z UW Equity	ZILLOW INC-CLASS A	US98954A1079	0.57%

## 2.2 Ordinary adjustment

There are no ordinary adjustments to the Index composition.

## 2.3 Extraordinary adjustment

If a company included in the US M&A Basket Index is removed from the Index due to an Extraordinary Event, if necessary, the Committee shall designate a successor. The US M&A Basket Index is adjusted on the same day. This is announced by Solactive AG after the close of business on the day on which the new composition of the Index was determined by the Committee.



## 3 Calculation of the Index

### 3.1 Index formula

The US M&A Basket Index is an index whose value on a Business Day is equivalent to the sum over all Index Components of the products of (a) the Number of Shares of the Index Component and (b) the price of the Index Component at the respective Exchange.

As a formula:

$$Index_t = \sum_{i=1}^n x_{i,t} * p_{i,t}$$

with:

$x_{i,t}$  = Number of Shares of the Index Component i on Trading Day t

$p_{i,t}$  = Price of Index Component i on Trading Day t

### 3.2 Accuracy

The value of the Index will be rounded to two decimal places.

The Number of Shares of the Index Components will be rounded to six decimal places.

Trading Prices will be rounded to four decimal places.

### 3.3 Adjustments

Indices need to be adjusted for systematic changes in prices once these become effective. This requires the new Number of Shares of the affected Index Component to be calculated on an ex-ante basis.

Following the Committee's decision the US M&A Basket Index is adjusted for distributions, capital increases, rights issues, splits, par value conversions and capital reductions.

This procedure ensures that the first ex quote can be properly reflected in the calculation of the Index. This ex-ante procedure assumes the general acceptance of the Index calculation formula as well as open access to the parameter values used. The calculation parameters are provided by Solactive AG.

Any delay in calculating the new Number of Shares of an Index Component would create problems. Therefore the procedure described above is the most appropriate.

### 3.4 Dividends and other distributions

Regular dividend payments and distributions are not included in the Index. Special cash dividends are included in the index. They cause an adjustment of the Number of Shares of the corresponding Index Component. The new Number of Shares is calculated as follows:

$$x_{it} = x_{i,t-1} * \frac{p_{i,t-1}}{p_{i,t-1} - D_{i,t}}$$

with

$x_{i,t}$  = Number of Shares of the Index Component i on Trading Day t

$D_{i,t}$  = Payment on Trading Day t multiplied by the Dividend Correction Factor of the respective country

### 3.5 Corporate actions

#### 3.5.1 Principles

Following the announcement by a company included in the Index of the terms and conditions of a corporate action the Index Calculator determines whether such corporate action has a dilution, concentration or other effect on the price of the Index Component.

If this should be the case the Index Calculator shall make the necessary adjustments to the affected Index Component and/or the formula for calculating the Index and/or to other terms and conditions of this document that he deems appropriate in order to take into account the dilution, concentration or other effect and shall determine the date on which this adjustment shall come into effect.

Amongst other things the Index Calculator can take into account the adjustment made by an Affiliated Exchange as a result of the corporate action with regard to option and futures contracts on the respective share traded on this Affiliated Exchange.

#### 3.5.2 Capital increases

In the case of capital increases (from the company's own resources or through cash contributions) the new Numbers of Shares are calculated as follows:

$$x_{i,t} = x_{i,t-1} * \frac{p_{i,t-1}}{p_{i,t-1} - rB_{i,t-1}} \quad \text{with:} \quad rB_{i,t-1} = \frac{p_{i,t-1} - B - N}{BV + 1}$$

$x_{i,t}$  = Number of Shares of Index Component i on the day of the distribution

$x_{i,t-1}$  = Number of Shares of Index Component i on the day prior to the distribution

$p_{i,t-1}$  = Closing price on the day prior to ex date

$rB_{i,t-1}$  = Calculated value of rights issue

$B$  = Price of rights issue

$N$  = Dividend disadvantage

$BV$  = Subscription ratio

$B=0$  if capital is increased from the company's own resources.

The last dividend paid or the announced dividend proposal is applied as the dividend disadvantage.

#### 3.5.3 Capital reductions

In the case of capital reductions the new Number of Shares is determined as follows:

$$x_{i,t} = x_{i,t-1} * \frac{1}{H_{i,t}}$$

$H_{i,t}$  = Reduction ratio of the company on day t

$x_{i,t}$  = Number of Shares of the affected Index Component on the day of the distribution

$x_{i,t-1}$  = Number of Shares of the affected Index Component on the day prior to the distribution

### 3.5.4 Share splits and par value conversions

In the case of share splits and par value conversions it is assumed that the prices change in ratio to the number of shares or to the par values. The new Number of Shares is calculated as follows:

$$x_{i,t} = x_{i,t-1} * \frac{N_{i,t-1}}{N_{i,t}}$$

$N_{i,t-1}$  = Former par value of security class i (or new number of shares)

$N_{i,t}$  = New par value of security class i (or former number of shares)

$x_{i,t}$  = Number of Shares of the affected Index Component on the day of the distribution

$x_{i,t-1}$  = Number of Shares of the affected Index Component on the day prior to the distribution

### 3.6 Calculation of the Index in the event of a Market Disruption Event

An Index is not calculated in the event of a Market Disruption Event. If the Market Disruption Event continues over a period of eight Trading Days, the Index Calculator calculates the Index value, taking into account the market conditions prevailing at this point in time, the last quoted Trading Price for each of the Index Components as well as any other conditions that it deems relevant for calculating the Index value.

## 4. Definitions

**“Index Component”** is each share currently included in the Index.

**“Number of Shares”** is in respect of an Index Component and any given Business Day the number or fraction of shares included in the Index. It is calculated for any Index Component as the ratio of (A) the Percentage Weight of an Index Component multiplied by the Index value and (B) its Trading Price.

**“Percentage Weight”** of an Index Component is the ratio of its Trading Price multiplied by its Number of Shares divided by the Index value.

**“Dividend Correction Factor”** is calculated as 1 minus the applicable withholding tax rate and/or other applicable tax rate currently prevalent in the respective country.

In particular an **“Extraordinary Event”** is

- a Merger
- a Takeoverbid
- a delisting
- the Nationalisation of a company
- Insolvency.

The Trading Price for this Index Component on the day the event came into effect is the last available market price for this Index Component quoted on the Exchange on the day the event came into effect (or, if a market price is not available for the day the event came into effect, the last available market price quoted on the Exchange on a day specified as appropriate by the Index Calculator), as determined by the Index Calculator, and this price is used as the Trading Price of the particular Index Component until the end of the day on which the composition of the Index is next set.

In the event of the Insolvency of an issuer of an Index Component the Index Component shall remain in the Index until the next Adjustment Day. As long as a market price for the affected Index Component is available on a Business Day, this shall be applied as the Trading Price for this Index Component on the relevant Business Day, as determined in each case by the Index Calculator. If a market price is not available on a Business Day the Trading Price for this Index Component is set to zero. The Committee may also decide to eliminate the respective Index Component at an earlier point in time prior to the next Adjustment Day. The procedure in this case is identical to an elimination due to and Extraordinary Event.

An Index Component is **“delisted”** if the Exchange announces pursuant to the Exchange regulations that the listing of, the trading in or the issuing of public quotes on the Index Component at the Exchange has ceased immediately or will cease at a later date, for whatever reason (provided delisting is not because of a Merger or a Takeoverbid), and the Index Component is not immediately listed, traded or quoted again on an exchange, trading or listing system, acceptable to the Index Calculator,

**“Insolvency”** occurs with regard to an Index Component if (A) all shares of the respective issuer must be transferred to a trustee, liquidator, insolvency administrator or a similar public officer as result of a voluntary or compulsory liquidation, insolvency or winding-up proceedings or comparable proceedings affecting the issuer of the Index Components or (B) the holders of the shares of this issuer are legally enjoined from transferring the shares.

A **“Takeoverbid”** is a bid to acquire, an exchange offer or any other offer or act of a legal person that results in the related legal person acquiring as part of an exchange or otherwise more than 10% and less than 100% of the voting shares in circulation from the issuer of the Index Component or the right to acquire these shares, as determined by the Index Calculator based on notices submitted to public or self-regulatory authorities or other information considered by the Index Calculator to be relevant.

With regard to an Index Component a **“Merger”** is

- (i) a change in the security class or a conversion of this share class that results in a transfer or an ultimate definite obligation to transfer all the shares in circulation to another legal person,
- (ii) a merger (either by acquisition or through forming a new structure) or a binding obligation on the part of the issuer to exchange shares with another legal person (except in a merger or share exchange under which the issuer of this Index Component is the acquiring or remaining company and which does not involve a change in security class or a conversion of all the shares in circulation),

- (iii) a takeover offer, exchange offer, other offer or another act of a legal person for the purposes of acquiring or otherwise obtaining from the issuer 100% of the shares issued that entails a transfer or the irrevocable obligation to transfer all shares (with the exception of shares which are held and controlled by the legal person), or
- (iv) a merger (either by acquisition or through forming a new structure) or a binding obligation on the part of the issuer of the share or its subsidiaries to exchange shares with another legal person, whereby the issuer of the share is the acquiring or remaining company and it does not involve a change in the class or a conversion of the all shares issued, but the shares in circulation directly prior to such an event (except for shares held and controlled by the legal person) represent in total less than 50% of the shares in circulation directly subsequent to such an event.

The **“Merger Date”** is the date on which a Merger is concluded or the date specified by the Index Calculator if such a date cannot be determined under the law applicable to the Merger.

**“Nationalisation”** is a process whereby all shares or the majority of the assets of the issuer of the shares are nationalised or are expropriated or otherwise must be transferred to public bodies, authorities or institutions.

**“Exchange”** is, in respect of every Index Component, the respective primary exchange where the Index Component has its primary listing. The Committee may decide to declare a different stock exchange the “Exchange” for trading reasons, even if the company is only listed there via a Stock Substitute.

**“Stock Substitute”** includes in particular American Depository Receipts (ADR) and Global Depository Receipts (GDR).

With regard to an Index component (subject to the provisions given above under “Extraordinary Events”) the **“Trading Price”** in respect of a Trading Day is the closing price on this Trading Day determined in accordance with the Exchange regulations. If the Exchange has no closing price for an Index Component, the Index Calculator shall determine the Trading Price and the time of the quote for the share in question in a manner that appears reasonable to him.

A **“Trading Day”** is in relation to the Index or an Index Component a Trading Day on the Exchange (or a day that would have been such a day if a market disruption had not occurred), excluding days on which trading may be ceased prior to the normal Exchange closing time. The Index Calculator is ultimately responsible as to whether a certain day is a Trading Day with regard to the Index or an Index Component or in any other connection relating to this document.

A **“Business Day”** is a day on which Stuttgart Stock Exchange is open for trading.

The **“Index Calculator”** is Solactive AG or any other appropriately appointed successor in this function.

The **“Index Currency”** is USD.

**“Market Capitalization”** is with regard to each of the shares in the Selection Pool on a Selection Day or Adjustment Day the value published by Reuters (or a successor) as the Market Capitalization for this day.

As at the date of this document Market Capitalization is defined by Reuters as the value of a company calculated by multiplying the number of shares outstanding of the company by its share price. **“Free Float Market Capitalization”** is with regard to each of the shares in the Selection Pool or in the Index on a Selection Day or Adjustment Day the Market Capitalization for this day multiplied by the ratio of (A) the number of shares in circulation and (B) the number of shares outstanding of the respective company.

If Reuters (or a successor):

- (i) does not publish for a Selection Day a Market Capitalization for a share or
  - (ii) adopts another method for calculating the Market Capitalization for all shares or only with regard to the share in question or uses different assumptions in calculating the Market Capitalization for all shares or only with regard to the share in question, and in the reasonable assessment of the Index Calculator involves material changes (the Index Calculator makes the decision as to whether such changes are to be deemed “material” by applying factors that in his reasonable assessment appear appropriate to him),
- the Index Calculator will determine the Market Capitalization in respect of the shares or of a share included in the Selection Pool and the respective Selection Day either from another publicly accessible source specified at his sole discretion or from other sources that in his assessment are reasonable and appropriate in the event that no other publicly quoted suitable prices are available.

An **“Affiliated Exchange”** is with regard to an Index Component an exchange, a trading or quotation system on which options and futures contracts on the Index Component in question are traded, as specified by the Index Calculator.

A **“Market Disruption Event”** occurs if

1. one of the following events occurs or exists on a Trading Day prior to the opening quotation time for an Index Component:
  - A) trading is suspended or restricted (due to price movements that exceed the limits allowed by the Exchange or an Affiliated Exchange, or for other reasons):
    - 1.1. across the whole Exchange; or
    - 1.2. in options or futures contracts on or with regard to an Index Component or an Index Component that is quoted on an Affiliated Exchange; or
    - 1.3. on an Exchange or in a trading or quotation system (as determined by the Index Calculator) in which an Index Component is listed or quoted; or
  - B) an event that (in the assessment of the Index Calculator) generally disrupts and affects the opportunities of market participants to execute on the Exchange transactions in respect of a share included in the Index or to determine market values for a share included in the Index or to execute on an Affiliated Exchange transaction with regard to options and futures contracts on these shares or to determine market values for such options or futures contracts; or
2. trading on the Exchange or an Affiliated Exchange is ceased prior to the usual closing time (as defined below), unless the early cessation of trading is announced by the Exchange or Affiliated Exchange on this Trading Day at least one hour before
  - (aa) the actual closing time for normal trading on the Exchange or Affiliated Exchange on the Trading Day in question or, if earlier.
  - (bb) the closing time (if given) of the Exchange or Affiliated Exchange for the execution of orders at the time the quote is given.

**“Normal exchange closing time”** is the time at which the Exchange or an Affiliated Exchange is normally closed on working days without taking into account after-hours trading or other trading activities carried out outside the normal trading hours; or
3. a general moratorium is imposed on banking transactions in the country in which the Exchange is resident if the above-mentioned events are material in the assessment of the Index Calculator, whereby the Index Calculator makes his decision based on those circumstances that he considers reasonable and appropriate.

## **5 Appendix**

### **5.1 Contact data**

#### **Information regarding the US M&A Basket Index concept**

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### **5.2 Calculation of the Index – change in calculation method**

The application by the Index Calculator of the method described in this document is final and binding. The Index Calculator shall apply the method described above for the composition and calculation of the Index. However it cannot be excluded that the market environment, supervisory, legal, financial or tax reasons may require changes to be made to this method. The Index Calculator may also make changes to the terms and conditions of the Index and the method applied to calculate the Index, which he deems to be necessary and desirable in order to prevent obvious or demonstrable error or to remedy, correct or supplement incorrect terms and conditions. The Index Calculator is not obliged to provide information on any such modifications or changes. Despite the modifications and changes the Index Calculator will take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.