

# MARKET CONSULTATION

## Methodology Change of the Solactive – B-BRE US REIT Index

Solactive has decided to conduct a Market Consultation with regard to a proposal to change the methodology of the Solactive – B-BRE US REIT Index. All stakeholders and interested third parties are invited to provide input and feedback to the proposed change. Solactive welcomes all contributions and thoroughly assesses all responses received. The overarching aim is to maintain the integrity and continued comparability of the index while mitigating certain effects of the selection process as negative.

If you would like to share your thoughts with Solactive, please use this consultation form and provide us with your personal details and those of your organization.

Name	
Function	
Organization	
Email	
Phone	
Confidentiality (Y/N)	

## Consultative question

The Solactive – B-BRE US REIT Index tracks the performance of a basket of American Real Estate Investment Trusts.

To consolidate the methodology used to select the Index constituents and the further improve the transparency, Solactive intends to use its Solactive US Broad Market Index as Index Universe in the future.

The definition in section 4 of the guideline shall therefore be amended as follows:

*“Solactive - B-BRE US REIT Index Universe” in respect of a Selection Day are companies that fulfill the following criteria:*

- 1. Must be an equity REIT from the Solactive US Broad Market Index*
- 2. The minimal size for inclusion is the lower of a market capitalization of USD 1 bn and a market capitalization of 1% of the security with the largest market capitalization in the universe.”*

Solactive considers that this change will improve the index’ accuracy and representativeness. On other hand, the change is material and the comparability of the index over time may be affected. If applied to the current index selection, the proposed change would have resulted in a difference in the composition.

To be specific: The Solactive US Broad Market Index covers 99.85 % of the current Index Universe, but contains 17,47% more REITs. Solactive is therefore of the opinion that the suggested Index Universe is better suited to capture the underlying market and the integrity of the index is not unduly infringed.

Solactive AG is inviting all stakeholders in the Solactive – B-BRE US REIT Index to evaluate this proposed change to the methodology, and welcomes any feedback on how this may affect and/or improve their use of the index. Solactive furthermore encourages stakeholders to suggest alternative changes in order to ensure the continued tradability of the index.

## Consultation Procedure

Stakeholders and third parties, who are interested in participating in this Market Consultation, are invited to respond to until **Friday 22 December 2017 cob**.

Please send your feedback via email to [info@solactive.com](mailto:info@solactive.com), specifying “Market Consultation” as the subject of the email, or

via postal mail to:       **Solactive AG**  
                                    Guiollettstr. 54  
                                    60325 Frankfurt  
                                    Germany

Should you have any additional questions regarding the Consultative Question in particular, please do not hesitate to contact us via above email address.