MARKET CONSULTATION

Methodology Change of the Solactive Laddered Canadian Preferred Share Index

Solactive has decided to conduct a Market Consultation with regard to a proposal to change the methodology of the Solactive Laddered Canadian Preferred Share 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 Laddered Canadian Preferred Share Index tracks the performance of a basket of Canadian reset rate preferred shares.

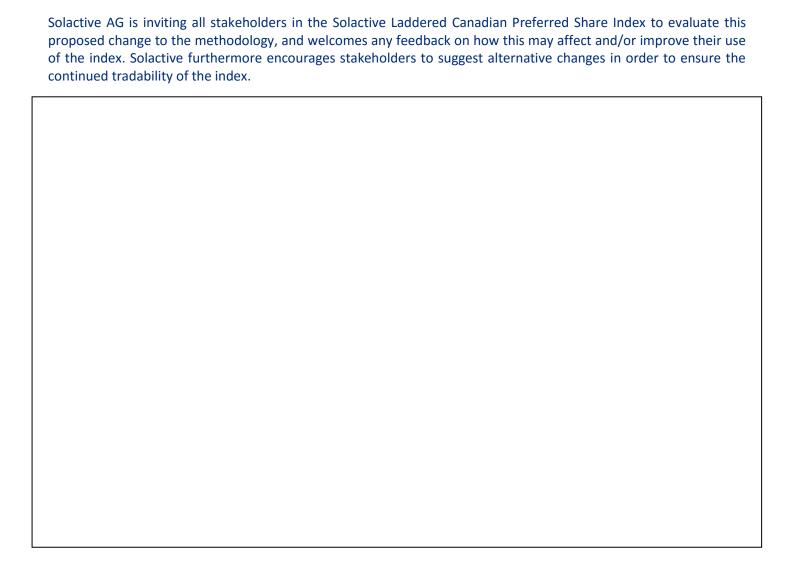
Due to the nature of the selection criteria, intended to capture a broad market, and the monthly rebalancing, the number of index constituents is relatively large, and would be the turnover in the index. However, the selection criteria already contain a buffer rule requiring lower thresholds in market capitalization and average daily traded value for existing constituents.

This rule has to a large degree reduced undesired turnover in the index composition. Over the past months, several constituents, however, had to be removed from the index, only to be added during the next selection. To further improve the reduction of the turnover in the index and to make the index more investable, Solactive therefore contemplates adding a further selection criterion:

A preferred share deleted from the index is not eligible for re-inclusion in the index until 6 months after the effective date of the exclusion.

In the past two selections, two preferred shares would not have been re-included in the index taking into account the proposed exclusion criterion above.

Hence, implementing the above changes might help to improve the index' tradability and its suitability for being referenced by financial instruments. On the other hand, the accuracy and representativeness of the index could decrease insofar as the index aim is to mirror the development of a clearly defined market.



Consultation Procedure

Stakeholders and third parties, who are interested in participating in this Market Consultation, are invited to respond to until *Friday 17 November 2017 cob*.

Please send your feedback via email to info@solactive.com, specifying "Market Consultation" as the subject of the email, or

via postal mail to: Solactive AG

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Germany

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