

INDEX GUIDELINE

UBS US QUALITY DIVIDEND PAYERS INDEX L/O NTR

Version 1.0

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INTRODUCTION

This document (the "GUIDELINE") is to be used as a guideline with regard to the composition, calculation and maintenance of the UBS US Quality Dividend Payers Index L/O (the "INDEX"). Any amendments to the rules made to the GUIDELINE are approved by the OVERSIGHT COMMITTEE specified in Section 5.5. The INDEX is calculated, administered and published by Solactive AG ("SOLACTIVE") assuming the role as administrator (the "INDEX ADMINISTRATOR") under the Regulation (EU) 2016/1011 (the "BENCHMARK REGULATION" or "BMR"). The name "Solactive" is trademarked.

The text uses defined terms which are formatted with "SMALL CAPS". Such Terms shall have the meaning assigned to them as specified in Section 6 (Definitions).

The GUIDELINE and the policies and methodology documents referenced herein contain the underlying principles and rules regarding the structure and operation of the INDEX. SOLACTIVE does not offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the INDEX nor the level of the INDEX at any certain point in time nor in any other respect. SOLACTIVE strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for SOLACTIVE – 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 does not constitute a recommendation for capital investment and does not contain any assurance or opinion of SOLACTIVE regarding a possible investment in a financial instrument based on this INDEX.



1. INDEX SPECIFICATIONS

1.1. SCOPE OF THE INDEX

The INDEX aims to track the performance of a basket of equity securities that:

- Is designed to provide exposure to a global basket of high-quality, dividend paying US large capitalization stocks. A combination of quantitative and qualitative inputs are used to determine new portfolio compositions each quarter; the final stock weights are determined by the SELECTION PARTY using an optimization which seeks to maximise the desirable characteristics of the portfolio while taking account of liquidity, turnover and tracking error of quality ('High Quality' measures) and measures of change in quality ('Delta Quality' measures). The index construction aims to utilize methods published by UBS Quantitative Research and is built in such a way to minimize market impact and maximize transparency.
- The INDEX is calculated as a Net Total Return Index (NTR) and an Excess Return Index (ER).
- THE INDEX CURRENCY IS USD.

1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type*	RIC	BBG ticker
UBS US Quality Dividend Payers Index L/O NER	DE000SLA9WA8	USD	ER	.UISEQDNE	UISEQDNE Index
UBS US Quality Dividend Payers Index L/O NTR	DE000SLA9V82	USD	NTR	.UISEQDNT	UISEQDNT Index

*[PR][NTR][GTR] means that the Index is calculated as [price return][net total return][gross total return] Index as described in the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. [ER] means that the Index is calculated as [excess return].

The INDEX is published on the website of the INDEX ADMINISTRATOR (www.solactive.com) and is, in addition, available via the price marketing services of Boerse Stuttgart GmbH and may be distributed to all of its affiliated vendors. Each vendor decides on an individual basis as to whether it will distribute or display the INDEX via its information systems.

Any publication in relation to the INDEX (e.g. notices, amendments to the GUIDELINE) will be available at the website of the INDEX ADMINISTRATOR: <https://www.solactive.com/news/announcements/>.



1.3. INITIAL LEVEL OF THE INDEX

The initial level of the INDEX on the START DATE is 1000. Historical values from the LIVE DATE will be recorded in accordance with Article 8 of the BMR. Levels of the INDEX published for a period prior to the LIVE DATE have been back-tested.

1.4. PRICES AND CALCULATION FREQUENCY

The level of the INDEX is calculated on each CALCULATION DAY from 9:30 a.m. to 4:50 p.m. EST based on the TRADING PRICES on the EXCHANGES on which the INDEX COMPONENTS are listed. TRADING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the current Reuters spot foreign exchange rate. Should there be no current TRADING PRICE for an INDEX COMPONENT, the later of: (i) the most recent CLOSING PRICE; or (ii) the last available TRADING PRICE for the preceding TRADING DAY is used in the calculation.

In addition to the intraday calculation a closing level of the INDEX for each CALCULATION DAY is also calculated. This closing level is based on the CLOSING PRICES for the INDEX COMPONENTS on the respective EXCHANGES on which the INDEX COMPONENTS are listed. The CLOSING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the 4pm London time WM Fixing quoted by Reuters. If there is no 4pm London time WM Fixing for the relevant CALCULATION DAY, the last available 4pm London time WM Fixing will be used for the closing level calculation.

1.5. LICENSING

Licenses to use the INDEX as the underlying value for financial instruments, investment funds and financial contracts may be issued to stock exchanges, banks, financial services providers and investment houses by UBS AG.



2. INDEX SELECTION

On each SELECTION DAY, the SELECTION PARTY will revise the composition of the LONG EQUITY BASKET.

In a first step, the SELECTION PARTY determines the INDEX UNIVERSE in accordance with Section 2.1. The INDEX UNIVERSE comprises all those financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS (as specified in Section 2.1) and will constitute a starting pool from which the components of the LONG EQUITY BASKET will be selected. Based on this INDEX UNIVERSE, the new composition of the LONG EQUITY BASKET will be determined by applying the rules outlined in Section 2.2.

Each new LONG EQUITY BASKET COMPONENT will be assigned a weight as described in Section 2.3 and is included the current composition of the INDEX on the REBALANCE DAY according to the procedure outlined in Section 3.1.

2.1. INDEX UNIVERSE REQUIREMENTS

The INDEX UNIVERSE is comprised of all financial instruments which fulfill the below requirements:

US large capitalization stocks which are members of the coverage universe of UBS Global Equity Research (the "INDEX UNIVERSE REQUIREMENTS")

The INDEX ADMINISTRATOR has outsourced the determination of the INDEX UNIVERSE to the SELECTION PARTY. Such outsourcing has been made in accordance with the requirements of the BMR (Article 10 BMR).

The determination of the INDEX UNIVERSE is fully rule-based and the SELECTION PARTY has no discretion.

2.2. SELECTION OF THE INDEX COMPONENTS

Based on the INDEX UNIVERSE, the initial composition of the INDEX as well as any selection for an ordinary rebalance is determined on the SELECTION DAY in accordance with the following rules:

- The INDEX UNIVERSE is filtered based on liquidity, as well as forecast dividend yield, UBS Equity Research Analyst rating and the output from a quantitative model (which assigns scores to stocks based on perceived ability to produce sustainable dividends and total returns).
- An optimisation is then used to select and assign weights to stocks from the Index Universe, seeking to maximise the exposure to desirable portfolio characteristics while controlling for active risk and turnover.

(the "LONG EQUITY BASKET COMPONENT REQUIREMENTS")

The INDEX ADMINISTRATOR has outsourced the selection of the LONG EQUITY BASKET COMPONENTS to the SELECTION PARTY. Such outsourcing has been made in accordance with the requirements of the BMR (Article 10 BMR).



The selection of the LONG EQUITY BASKET COMPONENTS is fully rule-based and the SELECTION PARTY has no discretion.

2.3. WEIGHTING OF THE INDEX COMPONENTS

On each SELECTION DAY, each LONG EQUITY BASKET COMPONENT is assigned a weight by the SELECTION PARTY optimisation model.



3. REBALANCE

3.1. ORDINARY REBALANCE OF THE LONG EQUITY BASKET

In order to reflect the new selection of the LONG EQUITY BASKET COMPONENTS determined on the SELECTION DAY (in accordance with Section 2.1 and 2.2) the LONG EQUITY BASKET is adjusted on the REBALANCE DAY after CLOSE OF BUSINESS.

This is carried out by implementing the weights as determined on the SELECTION DAY.

For more information on the rebalance procedure please refer to the Equity Index Methodology, which is incorporated by reference and available on the Solactive website: <https://www.solactive.com/documents/equity-index-methodology/>

The LONG EQUITY BASKET is rebalanced *quarterly* over the REBALANCE PERIOD to downsize rebalance transactions in accordance with the Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.Solactive.com/documents/equity-index-methodology/>.

SOLACTIVE will publish any changes made to the INDEX COMPONENTS with sufficient notice before the REBALANCE DAY on the SOLACTIVE webpage under the section "[Announcement](https://www.solactive.com/news/announcements/)", which is available at <https://www.solactive.com/news/announcements/>

If the SELECTION PARTY fails to deliver the target weights during SELECTION PERIOD 2, no rebalancing will occur on the immediate following Rebalancing Day.

3.2. EXTRAORDINARY REBALANCE OF THE LONG EQUITY BASKET

The LONG EQUITY BASKET is not rebalanced extraordinarily.

3.3. ORDINARY REBALANCE OF INDEX

The weights of the LONG EQUITY BASKET in the INDEX are reviewed quarterly on the SELECTION DAY. During the REBALANCING PERIOD, the LONG EQUITY BASKET is rebalanced to 100% of the INDEX.



4. CALCULATION OF THE INDEX

4.1. LONG EQUITY BASKET FORMULA

The LONG EQUITY BASKET is calculated as a net total return Index.

The calculation is performed according to the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. The standard index formula stipulates that the level of the LONG EQUITY BASKET changes based on the change of the prices of its LONG EQUITY BASKET COMPONENTS taking into account their weight in the LONG EQUITY BASKET and any currency conversion in case the price of an LONG EQUITY BASKET COMPONENT is quoted in a currency other than the LONG EQUITY BASKET CURRENCY.

Any dividends or other distributions are reinvested back into the LONG EQUITY BASKET COMPONENT paying the dividend at the opening of the effective date (the so-called ex-date) of the payment of such dividend or other distribution.]

A more detailed description of the mechanics of the standard formula can be found in the Equity Index Methodology under Section 1.2.1.

4.2. INDEX FORMULA

The INDEX IS calculated on each BUSINESS DAY t according to the following formula:

$$I_t = \max(0, C_t + u_t * LB_t)$$

With

I_t = INDEX value on Business Day t

u_t = actual LONG EQUITY BASKET units BUSINESS DAY t, calculated as follows:

If t is the START DATE:

$$u_0 = \hat{u}_0$$

If t-1 is a BUSINESS DAY in the REBALANCING PERIOD:

$$u_t = u_{t-1} + \frac{1}{NRD} * (\hat{u}_R - \hat{u}_{R-1})$$

Otherwise:

$$u_t = u_{t-1}$$

With:



u_{t-1} = actual LONG EQUITY BASKET units on the BUSINESS DAY immediately preceding BUSINESS DAY t

NRD = Length of the REBALANCING PERIOD

\hat{u}_R = target LONG EQUITY BASKET units for the current REBALANCING PERIOD, calculated as follows:

If t is the START DATE:

$$\hat{u}_0 = \frac{\hat{w}_{SD} * I_0}{LB_0}$$

Otherwise:

$$\hat{u}_R = \frac{\hat{w}_{SD} * I_{SD}}{LB_{SD}}$$

With:

\hat{w}_{SD} = target weight of LONG EQUITY BASKET, i.e. 1

I_0 = INDEX value on the START DATE

LB_0 = LONG EQUITY BASKET value on the START DATE

I_{SD} = INDEX value on the SELECTION DAY immediately preceding BUSINESS DAY t

LB_{SD} = LONG EQUITY BASKET value on the SELECTION DAY immediately preceding BUSINESS DAY t

\hat{u}_{R-1} = target LONG EQUITY BASKET units for the REBALANCING PERIOD immediately preceding the current REBALANCING PERIOD

LB_t = LONG EQUITY BASKET value on BUSINESS DAY t

C_t = cash value on BUSINESS DAY t, calculated as follows:

If t is the START DATE:

$$C_t = I_0 - u_t * LB_t$$

Otherwise:

If the INDEX TYPE is NTR:

$$C_t = C_{t-1} + (u_{t-1} - u_t) * LB_{t-1} - \frac{1}{NRD} * TC_{t-1} * I_{t-1}$$

If the INDEX TYPE is ER:

$$C_t = C_{t-1} + (u_{t-1} - u_t) * LB_{t-1} - u_{t-1} * LB_{t-1} * \frac{r_{t-1} + RS}{360} * DCF - \frac{1}{NRD} * TC_{t-1} * I_{t-1}$$

With:



r_{t-1} = INTEREST RATE on BUSINESS DAY t-1 immediately preceding t

RS = INTEREST RATE SPREAD in percent

DCF = number of calendar days between BUSINESS DAY t-1 (including) and BUSINESS DAY t (excluding)

TC_{t-1} = transaction cost on BUSINESS DAY t-1, calculated as follows:

If t-1 is a BUSINESS DAY in the REBALANCING PERIOD:

$$\mathbf{TC}_{t-1} = \mathbf{TC}_F$$

Otherwise:

$$\mathbf{TC}_{t-1} = \mathbf{0}$$

With:

TC_F = transaction cost on the FIRST REBALANCING DAY F of the current REBALANCING PERIOD immediately preceding t, calculated as follows:

$$\mathbf{TC}_F = \sum_{k=1}^{N_F} |\hat{w}_{R-1}^k - \hat{w}_R^k| * \mathbf{TC}$$

With

N_F = number of LONG EQUITY BASKET COMPONENTS with either $\hat{w}_R^k > \mathbf{0}$ or $\hat{w}_{R-1}^k > \mathbf{0}$

TC = transaction cost LONG EQUITY BASKET, i.e. 4 bps

\hat{w}_R^k = target weight of LONG EQUITY BASKET COMPONENT k determined by the SELECTION PARTY on the SELECTION DAY immediately preceding BUSINESS DAY t

\hat{w}_{R-1}^k = target weight of LONG EQUITY BASKET COMPONENT k determined by the SELECTION PARTY on the SELECTION DAY immediately preceding the SELECTION DAY immediately preceding BUSINESS DAY t

4.3. ACCURACY

The level of the INDEX will be rounded to two decimal places. TRADING PRICES and foreign exchange rates will be rounded to six decimal places.



4.4. ADJUSTMENTS

Under certain circumstances, an adjustment of the LONG EQUITY BASKET may be necessary between two regular REBALANCE DAYS. Basically, such adjustment is need to be made if a corporate action (as specified in Section 4.4 below) in relation of a LONG EQUITY BASKET COMPONENT occurs. Such adjustment may need to be done in relation to an LONG EQUITY BASKET COMPONENT and/or may also affect the number of LONG EQUITY BASKET COMPONENTS and/or the weighting of certain LONG EQUITY BASKET COMPONENTS and will be made in compliance with the Solactive Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>.

SOLACTIVE will announce the LONG EQUITY BASKET adjustment giving a notice period of at least two TRADING DAYS (with respect to the affected INDEX COMPONENT) on the SOLACTIVE website under the Section "Announcements", which is available at <https://www.Solactive.com/news/announcements/>. The LONG EQUITY BASKET adjustments will be implemented on the effective day specified in the respective notice.

4.5. CORPORATE ACTIONS

As part of the INDEX maintenance SOLACTIVE will consider various events – also referred to as corporate actions – which result in an adjustment to the LONG EQUITY BASKET between two regular REBALANCE DAYS. Such events have a material impact on the price, weighting or overall integrity of LONG EQUITY BASKET COMPONENTS. Therefore, they need to be accounted for in the calculation of the LONG EQUITY BASKET. Corporate actions will be implemented from the cum-day to the ex-day of the corporate action, so that the adjustment to the LONG EQUITY BASKET coincides with the occurrence of the price effect of the respective corporate action.

Adjustments to the INDEX to account for corporate actions will be made in compliance with the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. This document contains for each corporate action a brief definition and specifies the relevant adjustment to the LONG EQUITY BASKET variables.

While SOLACTIVE aims at creating and maintaining its methodology for treatment of corporate actions as generic and transparent as possible and in line with regulatory requirements, it retains the right in accordance with the Equity Index Methodology to deviate from these standard procedures in case of any unusual or complex corporate action or if such a deviation is made to preserve the comparability and representativeness of the INDEX over time.

SOLACTIVE considers following, but not conclusive, list of corporate actions as relevant for INDEX maintenance:

- > Cash Distributions (e.g. payment of a dividend)
- > Stock distributions (e.g. payment of a dividend in form of additional shares)



- > Stock distributions of another company (e.g. payment of a dividend in form of additional shares of another company (e.g. of a subsidiary))
- > Share splits (company's present shares are divided and therefore multiplied by a given factor)
- > Reverse splits (company's present shares are effectively merged)
- > Capital increases (such as issuing additional shares)
- > Share repurchases (a company offer its shareholders the option to sell their shares to a fixed price)
- > Spin-offs (the issuer of (INDEX COMPONENT) shares splits its business activities into two or more entities and distributes new equity shares in the created entities to the shareholders of the former entity)
- > Mergers & Acquisitions (transaction in which the ownership of a company (or other business organizations) are transferred or consolidated with other entities, e.g. fusion of two or more separate companies into one entity)
- > Delistings (company's shares are no longer publicly traded at a stock exchange)
- > Nationalization of a company (effective control of a legal entity is taken over by a state)
- > Insolvency

4.6. RECALCULATION

SOLACTIVE makes the greatest possible efforts to accurately calculate and maintain its indices. However, errors in the determination process may occur from time to time for variety reasons (internal or external) and therefore, cannot be completely ruled out. SOLACTIVE endeavors to correct all errors that have been identified within a reasonable period of time. The understanding of "a reasonable period of time" as well as the general measures to be taken are generally depending on the underlying and is specified in the Solactive Correction Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/correction-policy/>.

4.7. MARKET DISRUPTION

In periods of market stress SOLACTIVE calculates its indices following predefined and exhaustive arrangements as described in the Solactive Disruption Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/disruption-policy/>. Such market stress can arise due to a variety of reasons, but generally results in inaccurate or delayed prices for one or more LONG EQUITY BASKET COMPONENTS. The determination of the INDEX may be limited or impaired at times of illiquid or fragmented markets and market stress.



5. MISCELLANEOUS

5.1. DISCRETION

Any discretion which may need to be exercised in relation to the determination of the INDEX (for example the determination of the INDEX UNIVERSE (if applicable), the selection of the LONG EQUITY BASKET COMPONENTS (if applicable) or any other relevant decisions in relation to the INDEX) shall be made in accordance with strict rules regarding the exercise of discretion or expert judgement.

For the INDEX, a SELECTION PARTY is used. The determinations of the INDEX UNIVERSE and the LONG EQUITY BASKET COMPONENTS are subject to decisions of the SELECTION PARTY where the exercise of discretion is needed. The SELECTION PARTY has confirmed, that such discretionary decision is performed in accordance with the specifications established by the INDEX ADMINISTRATOR.

5.2. METHODOLOGY REVIEW

The methodology of the INDEX is subject to regular review, at least annually. In case a need of a change of the methodology has been identified within such review (e.g. if the underlying market or economic reality has changed since the launch of the INDEX, i.e. if the present methodology is based on obsolete assumptions and factors and no longer reflects the reality as accurately, reliably and appropriately as before), such change will be made in accordance with the Solactive Methodology Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/methodology-policy/>.

Such change in the methodology will be announced on the SOLACTIVE website under the Section "[Announcement](https://www.solactive.com/news/announcements/)", which is available at <https://www.solactive.com/news/announcements/>. The date of the last amendment of this INDEX is contained in this GUIDELINE.

5.3. CHANGES IN CALCULATION METHOD

The application by the INDEX ADMINISTRATOR of the method described in this document is final and binding. The INDEX ADMINISTRATOR 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 and financial or tax reasons may require changes to be made to this method. The INDEX ADMINISTRATOR may also make changes to the terms and conditions of the INDEX and the method applied to calculate the INDEX that it 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 ADMINISTRATOR is not obliged to provide information on any such modifications or changes. Despite the modifications and changes, the INDEX ADMINISTRATOR will



take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.

5.4. TERMINATION

SOLACTIVE makes the greatest possible efforts to ensure the resilience and continued integrity of its indices over time. Where necessary, SOLACTIVE follows a clearly defined and transparent procedure to adapt Index methodologies to changing underlying markets (see Section 5.2 “Methodology Review”) in order to maintain continued reliability and comparability of the indices. Nevertheless, if no other options are available the orderly cessation of the INDEX may be indicated. This is usually the case when the underlying market or economic reality, which an index is set to measure or to reflect, changes substantially and in a way not foreseeable at the time of inception of the index, the index rules, and particularly the selection criteria, can no longer be applied coherently or the index is no longer used as the underlying value for financial instruments, investment funds and financial contracts.

SOLACTIVE has established and maintains clear guidelines on how to identify situations in which the cessation of an index is unavoidable, how stakeholders are to be informed and consulted and the procedures to be followed for a termination or the transition to an alternative index. Details are specified in the Solactive Termination Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/termination-policy/>.

5.5. OVERSIGHT

An oversight committee composed of staff from SOLACTIVE and its subsidiaries (the “OVERSIGHT COMMITTEE”) is responsible for decisions regarding any amendments to the rules of the INDEX. Any such amendment, which may result in an amendment of the GUIDELINE, must be submitted to the OVERSIGHT COMMITTEE for prior approval and will be made in compliance with the Methodology Policy, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/methodology-policy/>.

6. DEFINITIONS

“BENCHMARK REGULATION” shall have the meaning as defined in Section “Introduction”.

“BMR” shall have the meaning as defined in Section “Introduction”.

“BUSINESS DAY” is any day except Saturday and Sunday.

“CALCULATION DAY” is every weekday from Monday to Friday.

“CLOSE OF BUSINESS” is the calculation time of the closing level of the INDEX as outlined in Section 1.4.



The "CLOSING PRICE" in respect of a LONG EQUITY BASKET COMPONENT and a TRADING DAY is a security's final regular-hours TRADING PRICE published by the EXCHANGE and determined in accordance with the EXCHANGE regulations. If the EXCHANGE has no or has not published a CLOSING PRICE in accordance with the EXCHANGE rules for a LONG EQUITY BASKET COMPONENT, the last TRADING PRICE will be used.

"CURRENT REBALANCING PERIOD" means the REBALANCING PERIOD where its Rebalancing Days are either equal to or preceding BUSINESS DAY t.

"ELIGIBLE REBALANCE DAY" is each BUSINESS DAY that is a TRADING DAY where all exchanges for all current LONG EQUITY BASKET COMPONENTS and future LONG EQUITY BASKET COMPONENTS are scheduled to be open for Business.

"EXCHANGE" is with respect to the LONG EQUITY BASKET and every LONG EQUITY BASKET COMPONENT, the respective exchange where the LONG EQUITY BASKET COMPONENT has its listing as determined in accordance with the rules in Section 2.

"FIRST REBALANCING DAY" is the second BUSINESS DAY following the SELECTION PERIOD 2 where the second BUSINESS DAY is also an ELIGIBLE REBALANCE DAY, otherwise the immediately following ELIGIBLE REBALANCE DAY.

"GUIDELINE" shall have the meaning as defined in Section "Introduction".

"INDEX" shall have the meaning as defined in Section "Introduction".

"INDEX ADMINISTRATOR" shall have the meaning as defined in Section "Introduction".

"LONG EQUITY BASKET COMPONENT" is each security reflected in the LONG EQUITY BASKET.

"LONG EQUITY BASKET COMPONENT REQUIREMENTS" shall have the meaning as defined in Section 2.2.

"INDEX CURRENCY" is the currency specified in the column "Currency" in the table in Section 1.2.

"INDEX UNIVERSE REQUIREMENTS" shall have the meaning as defined in Section 2.1.

"INDEX UNIVERSE" is the sum of all financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS.

"INTEREST RATE" means the 3-month USD LIBOR rate as displayed on Reuters under the RIC "USD3MFSR=".

"INTEREST RATE SPREAD" means 0.5%.

"LIVE DATE" is 16th December 2019.

"OVERSIGHT COMMITTEE" shall have the meaning as defined in Section 5.5.

"REBALANCING DAY" is an ELIGIBLE REBALANCE DAY in the REBALANCING PERIOD.

"REBALANCE PERIOD" is the period starting from (and including) the FIRST REBALANCE DAY until and (including) the immediately following 9 ELIGIBLE REBALANCE DAYS.

"SELECTION DAY" is the last weekday of the months March, June, September and December.

"SELECTION PERIOD 1" is formed of the first 2 BUSINESS DAYS of the month on which there is not both an Australian and UK bank holiday. For clarity: if there is a BUSINESS DAY on which there is both an Australian



bank holiday and a UK bank holiday then this day cannot be considered as part of SELECTION PERIOD 1; in other words – if a BUSINESS DAY is not a bank holiday in Australia or the UK, then this day is part of SELECTION PERIOD 1.

“SELECTION PERIOD 2” is the first BUSINESS DAY immediately following the last Business Day of the SELECTION PERIOD 1 that is not a UK Bank holiday.

“SELECTION PARTY” is Axioma, (UK) Ltd. or any other appropriately appointed successor in this function.

“SOLACTIVE” shall have the meaning as defined in Section “Introduction”.

“START DATE” is 7th January 2004.

“TRADING DAY” is with respect to a LONG EQUITY BASKET COMPONENT included in the LONG EQUITY BASKET at the REBALANCE DAY and every LONG EQUITY BASKET COMPONENT included in the LONG EQUITY BASKET at the CALCULATION DAY immediately following the REBALANCE DAY (for clarification: this provision is intended to capture the TRADING DAYS for the securities to be included in the INDEX as new LONG EQUITY BASKET COMPONENTS with close of trading on the relevant EXCHANGE on the REBALANCE DAY) a day on which the relevant EXCHANGE is open for trading (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 scheduled EXCHANGE closing time and days on which the EXCHANGE is open for a scheduled shortened period. The INDEX ADMINISTRATOR is ultimately responsible as to whether a certain day is a TRADING DAY.

The “TRADING PRICE” in respect of a LONG EQUITY BASKET COMPONENT and a TRADING DAY is the most recent published price at which the LONG EQUITY BASKET COMPONENT was traded on the respective EXCHANGE.

“UNIT CALCULATION DAY” is the BUSINESS DAY falling at the end of SELECTION PERIOD 2.

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