



## **Rules for the Equal Weight Indices**

**CAC Equal Weight Index  
AEX Equal Weight Index**

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# 1 Composition of the Equal Weight indices

- 1.1 *Equal Weight indices* The Equal Weight indices are weighted indices based on the prices of shares of leading companies listed on NYSE Euronext.
- 1.2 *Design of Index* The Equal Weight indices are made up of shares included in Blue Chip indices of Euronext in such a way that they are suitable to serve as the underlying value for index-linked products such as derivatives and structured products.
- 1.3 **Composition**
- 1.3.1 *Universe* The Equal Weight indices consist exclusively of shares selected from the corresponding Blue Chip indices of NYSE Euronext: the CAC 40 and the AEX-index.
- 1.4 **Weighting**
- 1.4.1 *Weighting basis* The selection and weighting of each company in the Equal Weight indices shall be determined each quarter based on an equal distribution of the weights among the constituents.
- 1.4.2 *Maximum percentage weighting* The maximum percentage weighting is not relevant for these indices.
- 1.4.3 *Weighting in shares* The weighting in shares of a constituent is expressed in terms of the number of shares contained in the Equal Weight indices baskets of shares. These numbers of shares are generally rounded to the nearest whole number.
- 1.5 **Index level calculation**
- Index level* The level of the Equal Weight indices is equal to the cumulative total obtained by multiplying the number of shares contained in the Equal Weight indices by the last known transaction price as published by Euronext of each constituent divided by the divisor in accordance with the provisions of section 2 of these rules.
- 1.6 **Depository receipts**
- Shares* In these rules the term “shares” includes depository receipts for shares.
- 1.7 **Relationship with Blue Chip indices**
- Policy of Blue Chip indices* Unless otherwise specified in this rule book the principles and treatments of the stocks included in the index will follow the policies for the related Blue Chip index.

## 2. Calculation and publication of the Equal Weight Indices

- 2.1 *Calculation of indices* The values of the Equal Weight indices are calculated using the share prices quoted on Euronext of all the companies included in the respective indices.
- 2.2 *Share prices* Share prices are the prices at which transactions are executed during regular daytime trading in shares listed on Euronext regulated markets.
- 2.3 *Cancellation of prices* The levels of the Equal Weight indices are calculated each trading day on the basis of the most recently published prices on that day. If prices are cancelled, the index will not be recalculated unless the Compiler decides otherwise.
- 2.4 *Publication frequency* The level of the Equal Weight indices is in principle published every 15 seconds.
- 2.5 *Start calculation* The calculation of the levels of the Equal Weight indices start when Euronext begins regular daytime trading in officially listed shares in accordance with the provisions of the Euronext Rule Book. If no price has been established for a constituent's share on the trading day concerned, the last known price established during regular daytime trading in officially listed shares on Euronext will be used.
- 2.6 **Opening and pre-opening**
- 2.6.1 *Opening level/ opening criteria* The official opening levels of the Equal Weight indices are the first levels published after a share price is available for all constituents of each index. The official opening level is based on the last known prices at the time of publication. Index levels published before the official opening level is published are considered pre-opening index levels. (See 2.6.3)
- 2.6.2 *Opening if share prices unavailable* If, for whatever reason, share prices are not available for all constituents 5 minutes after Euronext has started regular daytime trading, the official opening level of the Equal Weight indices will be published as soon as the companies whose share prices are available of the current trading day represent at least 80% of the value of the Equal Weight index at the close of the previous trading day.
- 2.6.3 *Pre-opening level* The Compiler may publish pre-opening index levels based on the last known prices of the shares of each constituent, before publishing the official opening level of the Equal Weight indices.
- 2.7 *If index remains in pre-opening* If one of the Equal Weight indices remains in pre-opening phase during the entire trading session, the last published pre-opening level of that index will be used as the official closing level of the Equal Weight indices for that day. In such cases, the Compiler will not calculate an official opening level for the index.

2.8 **Closing**

*Closing level* The official closing level of the Equal Weight indices is determined in accordance with the rules of the underlying Blue Chip index.

2.9 *Publication  
delay or  
suspension*

The Compiler retains the right to delay the publication of the opening level of the Equal Weight indices. Furthermore, the Compiler of the Equal Weight indices retains the right to suspend the publication of the level(s) of the Equal Weight indices or to mark the level of the Equal Weight indices indicative, if it believes that circumstances prevent the proper calculation of the index.

### 3. Rules for the periodical adjustment of the Equal Weight indices

- 3.1 *General aim periodical adjustment* The general aim of the Compiler when making periodical adjustments to the Equal Weight indices is to ensure that the selection and the weighting of the constituents continue to meet the principles set out in section 1 and that the index reflects as closely as possible the value of the underlying basket of shares.
- 3.2 *Date of periodical adjustment* Periodical adjustment to the selection and weightings of the companies will take place each year immediately after the close of the third Friday in March, June, September and December.
- 3.3 *Publication of new selection* The new numbers of shares will be announced after the close on the business day prior to the date of periodical adjustment. In general this will be after the close on Thursday.
- 3.4 *Permissible index change* Periodical adjustments of the Equal Weight indices shall never result in the index changing by more than 0.01 index points.
- 3.5 **Periodical adjustment of the selection of constituents**
- 3.5.1 *Selection criteria* At each periodical review the companies that are expected to be included in the underlying Blue Chip index after the close of the business day on the date of the periodical adjustment, are selected for each of the Equal Weight indices.
- 3.6 **Periodical adjustment of the weighting of constituents**
- 3.6.1 *Weighting in shares* Based on the closing prices observed at the close of the business day prior to the date of the periodical adjustment the weightings in shares of the constituents are determined, subject to the provisions of article 3.2. The new weightings are calculated such that each constituent will have an Equal Weight in the index. The weightings will be rounded to the nearest whole number.
- 3.7 **Final provisions for periodical adjustments**
- Cases not covered* In cases, which are not expressly covered by these rules, periodical adjustments will take place along the lines of the aim set out in article 3.1. and in accordance with article 3.4 The Compiler must submit all periodical adjustments that are not specifically covered by these rules to the supervisor of the Equal Weight indices for approval.

## 4. Corporate events affecting selection

- 4.1 **Operational adjustment to the composition of the index**  
*General* The composition of the portfolios on which the Equal Weight indices are based may change as a result of decisions or events, which affect one or more of the constituents of the Equal Weight indices.
- 4.2 **Removals from underlying Blue Chip index and additions**
- 4.2.1 *Removal from underlying Blue Chip index* Constituents which are removed from an underlying Blue Chip index will be removed simultaneously from the Equal Weight index. The removal of a company from the index will be announced in principle at least two days in advance.
- 4.2.2 *Mergers and takeovers* If the effect of a merger or takeover is that one constituent is absorbed by another constituent the resulting company will remain a constituent of the index. If the merger offer takes place in the form of shares The shares of the target will be replaced by the shares of the acquirer in accordance with the terms of the offer, unless the acquirer won't be included in the underlying Blue Chip index.
- 4.2.3 *Re-entry or additions* Companies which are added to the composition of the underlying Blue Chip index or which are re-entered after a temporary removal, will not be added to the Equal Weight indices until the next periodical review.
- 4.2.4 *Review of underlying Blue Chip index* Companies removed from or added to the underlying Blue Chip index in relation to a periodical review that is effective on a date other than the review of the Equal Weight indices will not be removed from or added to the Equal Weight indices until the next periodical review.
- 4.3 **Split-up**
- 4.3.1 *Split-up inclusion* In the event that a company included in the Equal Weight indices is split up, the weighting of the company before split will be attributed to the resulting companies after split. The resulting companies will remain in the index provided that they also continue to be included in the underlying Blue Chip index.
- For the purposes of these rules a split-up is taken to mean a legal demerger, a spin-off or another situation, which the compiler deems to be similar.
- 4.3.2 *Weightings after split-up* To ensure that the level of the index remains the same after a split-up as referred to in article 4.3.1, the weighting of the original company after a split-up will be adjusted as follows:
- Companies that are removed from the index after a split-up will be removed after the close of the first day of trading.
- If, after the split of the original company, two or more of the resulting companies, including the original company where appropriate, are included in the index, the existing weightings of all the constituents will remain the same and the divisor of the index will be adapted with the value of the outgoing company.

4.6 **Final provisions for operational adjustments of selection**

4.6.1 *Permissible index change* Operational adjustments to the selection and/or weighting of companies included in the Equal Weight indices may not result in the index concerned changing by more than 0.01 index points.

If the situation as described in 4.2.2 occurs, the Compiler may decide to allow the index to change by more than 0.01 index points provided that this is the consequence of replacing the shares of the relevant index constituent by the shares of the company that continues to be traded on the basis of the bid ratio.

4.6.2 *Rounding in case of adjustment* The new weighting for each company will be expressed as the number of shares in the index. This figure will usually be rounded to the nearest whole number.

## 5. Corporate events affecting weighting of constituents

- 5.1 *Basic principle* The aim of the Compiler of the Equal Weight indices when making operational adjustments is to ensure that the basic principles of the index (see section 1) are maintained and that the index continues to reflect as closely as possible the value of the underlying portfolio.
- 5.2 **Dividends and bonus issues**
- 5.2.1 *Ordinary dividends* The treatment of dividends will follow the treatment of dividends for the underlying Blue Chip index.
- 5.2.2 *Special dividends* If the underlying Blue Chip index is adjusted for a dividend, the Equal Weight index will be adjusted by a change in the divisor unless the dividend is in the form of shares where the dividend will be treated like a bonus issue (5.2.3).
- 5.2.3 *Bonus issues* If a bonus issue takes place, the number of shares of the company in the index will be adjusted so that the value of the index remains the same.
- 5.3 **Rights issues and other rights**
- 5.3.1 *Rights issue* In the event of a rights issue the number of shares of the relevant company which are included in the Equal Weight index will be adjusted in such a way that the value of the index remains the same. The number of shares will be adjusted on the basis of the theoretical value of the rights issue as calculated by the Compiler and will be rounded to the nearest whole number. The Compiler shall only effect adjustments if the rights issue represents a positive value.
- 5.3.2 *Other rights* The procedure set out in article 5.3.1 will also be followed if a value can be attributed to a subscription right for convertible bonds, bonds with warrants or warrants with preferential rights for shareholders.
- 5.3.3 *Weighting change in case of changes in capital* To ensure stability, the weightings of the constituents will not change in case of capital increases or decreases.
- 5.4 *Change of capital structure* If the issuer of shares in a company included in the Equal Weight indices changes its capital structure, old shares will be replaced by new shares.
- 5.5 *Share split* In the event of a share split the number of shares of the company concerned in the basket will be multiplied by the factor used for the split at that time.
- 5.6 *Multiple adjustments* In the event that adjustments as referred to in articles 5.2 up to 5.5 inclusive occur in combination, the number of shares in the constituent company in question will be adjusted so that the value of the index remains the same.

- 5.8 **Final provisions for operational adjustments affecting weightings**
- 5.8.1 *Permissible index change* Operational adjustments to the weighting of companies included in the Equal Weight indices may not result in the index concerned changing by more than 0.01 index points.
- 5.8.2 *Cases not covered* In cases which are not expressly covered in these rules, operational adjustments will take place along the lines of the aim set out in article 5.1. Operational adjustments may also take place if, in the opinion of the Compiler, it is desirable to do so to maintain a fair and orderly market in derivatives on this index and/or this is in the best interests of the investors in these products and/or the proper functioning of the markets.

## 6. Governance and final provisions

- 6.1            *Governance*            The Board of Euronext Indices BV acts as Compiler and Supervisor of the Equal Weight indices.
- 6.2            *Compiler*                    The Compiler is responsible for the day-to-day management of the Equal Weight indices and is also responsible for decisions regarding the interpretation of these rules.
- 6.3            *Cases not covered*            In cases not covered by these rules but which require direct action, the Compiler will make a decision to the best of its ability and along the lines of and in accordance with the aim of these rules. The decision will be submitted to the Supervisor of the Equal Weight indices at the earliest possible opportunity.
- 6.4            *Rule book*                    These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the Equal Weight indices are compiled or calculated or affect the Equal Weight indices in another way. The Compiler will submit all decisions regarding supplementing, amending, revising or withdrawing these rules to the Supervisor of the Equal Weight indices for recommendations and approval. All decisions will be published immediately. A period of at least two months should pass between the date a proposed change is published and the date this comes into effect, unless the change is not in conflict with the interests of an affected party. NYSE Euronext, the Compiler nor the Supervisor of the Equal Weight indices is liable for any losses resulting from supplementing, amending, revising or withdrawing the Rules for the Equal Weight indices.
- 6.5            *Liability*                    The Compiler will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the Equal Weight indices in accordance with relevant rules. However, NYSE Euronext, the Compiler and the supervisor of the Equal Weight indices are not liable for any inaccuracy in share prices, calculations and the publication of the index, the information used for making adjustments to the index and the actual adjustments.
- 6.6            *Ownership of Equal Weight indices*            NYSE Euronext owns all intellectual and other property rights to the CACEW index, the AEXEW index, including the name, the composition and the calculation of these Equal Weight indices.

## Definitions

**Compiler:** The board of directors of Euronext Indices B.V., responsible for the day-to-day management of the indices.