



## **Rules for the Amsterdam Small Cap Index®**

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# 1 Composition of the Amsterdam Small Cap index

- 1.1 *Amsterdam Small Cap Index* The Amsterdam Small Cap index is a weighted index based on the prices of shares of 25 medium-sized companies listed on Euronext Amsterdam.
- 1.2 *Design Amsterdam Small Cap Index* The Amsterdam Small Cap index is designed to reflect general trends in the trading of shares listed on Euronext Amsterdam. It is made up of shares issued by 25 companies listed on Euronext Amsterdam in such a way that it is suitable to serve as the underlying value for index-linked products such as derivatives.
- 1.3 **Composition**
- 1.3.1 *Universe* The Amsterdam Small Cap index consists exclusively of shares issued by companies that have been admitted to listing on Euronext Amsterdam's Official Market.
- 1.3.2 *Eligibility rule* The Amsterdam Small Cap index includes:
- a) Companies with Euronext Amsterdam as market of reference; and
  - b) Companies with a market of reference that is not Euronext Amsterdam who qualify based on
    1. The significant presence (relative to the size of the group) of business assets and/or head-office activities in The Netherlands and/or employment of significant numbers of staff in The Netherlands ; or
    2. Significant trading volumes on related derivative instruments in Amsterdam ; or
    3. History of inclusion in indices (including takeovers), in so far 1. and/or 2. are applicable for the candidate stock.
- 1.3.3 *Excluded securities* The shares of the following companies are excluded from the Amsterdam Small Cap index:
- (a) Investment Instruments (classified as sector 8900 in conformity with the ICB classification system) as well as other Equity Investment Instruments or Nonequity Investment Instruments classified as subsector 8775 that do not have any business or have any assets other than future plans to obtain equity stakes;
  - (b) Holding companies of companies listed on Euronext Amsterdam;
  - (c) Companies whose shares are subject to a special listing regime;
  - (d) At the annual full review: companies whose shares were admitted to listing less than eighty trading days before 31 December of the previous calendar year, unless they fulfill the fast entry selection criteria detailed in 1.4.2;
  - (e) At the interim review: companies whose shares were admitted to listing less than eighty trading days before 30 June, unless they fulfill the fast entry selection criteria detailed in 1.4.3;
  - (f) Companies whose shares have not been admitted to listing on Euronext Amsterdam's Official Market;
  - (g) Other companies or institutions as determined by the Compiler. When excluding companies from the Amsterdam Small Cap index, the Compiler will take into account the tradability and the settlement of the shares issued by the company in question. When determining the tradability of a company's shares, the frequency with which the shares are traded will be decisive.

When settlement is assessed, the extent to which short positions can be taken and settled in a company's shares will be decisive.

#### 1.4 **Selection**

1.4.1 *Selection* The companies included in the Amsterdam Small Cap index are selected on the basis of the value of regulated turnover in their most traded class of shares on Euronext Amsterdam. Companies with more than one listing on Euronext Amsterdam will not be included more than once in the Amsterdam Small Cap index. When selecting a particular class of a company's shares for inclusion in the index, the class of shares with the highest value of regulated turnover will be selected.

1.4.2 *Fast-entry selection at full annual review* Companies admitted to listing less than eighty trading days before 31 December of the previous calendar year may qualify for inclusion in the Amsterdam Small Cap index if their value of regulated turnover, which is calculated in accordance with paragraph 3.2.4, places the company among the top 23 in terms of value of regulated turnover.

The unadjusted extrapolated value of turnover should not exceed the value of turnover of the highest ranking company in the index as it is constituted on 31 December of the previous calendar year.

1.4.3 *Fast-entry selection at interim review* Companies admitted to listing less than eighty trading days before 30 June may qualify for inclusion in the Amsterdam Small Cap index if their value of regulated turnover, which is calculated in accordance with paragraph 3.3.4, places the company among the top 15 in terms of value of regulated turnover.

The unadjusted extrapolated value of turnover should not exceed the value of turnover of the highest ranking company in the index as it is constituted on 30 June.

#### 1.5 **Weighting**

1.5.1 *Maximum percentage weighting* The maximum percentage weighting of a constituent may not exceed 15% at the time of annual full review of the index. However, if, due to rounding, the total percentage weightings of the constituents do not add up to 100%, this rule may be deviated from. In cases of doubt the Compiler will make the final decision. (See also 3.2.9: rounding.)

1.5.2 *Weighting in shares* The weighting in shares of a constituent is expressed in terms of the number of shares contained in the Amsterdam Small Cap index basket of shares. This number of shares is generally rounded to the nearest whole number.

#### 1.6 **Index level calculation**

*Index level* The level of the Amsterdam Small Cap index is equal to one hundredth of the cumulative total obtained by multiplying the number of shares contained in the Amsterdam Small Cap index by the last known transaction price as published by Euronext Amsterdam in accordance with the provisions of section 2 of these rules, of each constituent.

#### 1.7 **Depository receipts**

*Shares* In these rules the term "shares" includes depository receipts for shares.

## 2. Calculation and publication of the Amsterdam Small Cap index

- 2.1 *Calculation of index* The level of the Amsterdam Small Cap index is calculated by multiplying the number of shares contained in the index by the share prices published by Euronext Amsterdam for the shares of each constituent, and dividing the cumulative total by 100.
- 2.2 *Share prices* Share prices are the prices at which transactions are executed during regular daytime trading in shares listed on Euronext Amsterdam's Official Market.
- 2.3 *Cancellation of prices* The level of the Amsterdam Small Cap index is 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 Amsterdam Small Cap index is in principle published every 15 seconds.
- 2.5 *Start calculation* The calculation of the level of the Amsterdam Small Cap index starts when Euronext Amsterdam 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 Amsterdam will be used.
- 2.6 **Opening and pre-opening**
- 2.6.1 *Opening level/opening criteria* The official opening level of the Amsterdam Small Cap index is the first level published after a share price is available for all constituents. 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 Amsterdam has started regular daytime trading, the official opening level of the Amsterdam Small Cap index will be published as soon as the companies whose share prices are available of the current trading day represent at least 70% of the value of the Amsterdam Small Cap 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 Amsterdam Small Cap index.

- 2.7 *If index remains in pre-opening* If the Amsterdam Small Cap index remains in pre-opening phase during the entire trading session, the last published pre-opening level of the Amsterdam Small Cap index will be used as the official closing level of the Amsterdam Small Cap index for that day. In such cases, the Compiler will not calculate an official opening level for the index.
- 2.8 **Closing**
- Closing level* The calculation of the level of the Amsterdam Small Cap index will stop when Euronext Amsterdam stops regular daytime trading. The last published level of the Amsterdam Small Cap index will be the official closing level of the Amsterdam Small Cap index for that trading day.
- 2.9 *Intervention in publication* The Compiler retains the right to delay the publication of the opening level of the Amsterdam Small Cap index. Furthermore, the Compiler of the Amsterdam Small Cap index retains the right to suspend the publication of the level of the Amsterdam Small Cap index or to mark the level of the Amsterdam Small Cap index indicative, if it believes that circumstances prevent the proper calculation of the index.

### 3. Rules for the periodical reviews of the Amsterdam Small Cap index

#### 3.1 General rules for periodical reviews

- 3.1.1 *Annual full review and interim review* The periodical reviews consist of an annual full review that takes place in March and an interim review that takes place in September. As part of the annual full review the whole basket is rearranged, taking into account inter alia underlying updated free float market capitalisations and capping. As part of the interim review companies may be added to (and in some cases removed from) the basket while maintaining the proportions in the existing basket as much as possible.
- 3.1.2 *Permissible index change* Periodical reviews of the Amsterdam Small Cap index shall not result in the index changing by more than 0.01 index points.
- 3.1.3 *Date of effectiveness* The periodical reviews of the Amsterdam Small Cap index apply with immediate effect.

#### 3.2 Rules for the annual full review of the Amsterdam Small Cap index

- 3.2.1 *General aim annual full review* The general aim of the Compiler when conducting the annual full review to the Amsterdam Small Cap index 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.
- 3.2.2 *Date of annual full review* The annual full review of the index takes place each year after the close of the market on the first trading day in March, provided that at least 95% of the value of the Amsterdam Small Cap index is known at that day. Otherwise, the annual full review will take place after the close of the market on the first trading day on which at least 95% of the value of the Amsterdam Small Cap index is known.
- 3.2.3 *Selection criteria* The selection of constituents for the Amsterdam Small Cap index at the annual full review is based on the value of regulated turnover of shares in the companies qualifying for selection during the previous calendar year, as officially published by Euronext Amsterdam.

In order for a company whose shares are listed on Euronext Amsterdam to qualify for inclusion as part of the annual full review of the Amsterdam Small Cap index, its shares must meet two additional criteria to those stipulated in section 1 of these rules.

- (a) The shares must have a trading velocity of at least 10%. In other words, their regulated trading volume should represent at least 10% of the total number of shares issued by the company listed on Euronext Amsterdam, calculated over the course of the previous calendar year. Velocity is calculated on a monthly basis by dividing the number of shares traded during a particular month by the number of shares listed at the end of the month (adjusted to take account of corporate events). These twelve monthly figures are added up to calculate the annual velocity. A company cannot be

selected for the Amsterdam Small Cap index if its velocity is less than 10%. If regulated turnover in shares for a particular company is not available for the entire calendar year, the velocity will be extrapolated to the entire calendar year. When determining a share's velocity, the regulated turnover in shares during the first twenty trading days after the company was admitted to listing on Euronext Amsterdam will not be taken into consideration.

- (b) At least 25% of the shares listed by the company should be freely available for trading ("free float") on Euronext Amsterdam. Nevertheless, companies with a free float of less than 25% may be included in the Amsterdam Small Cap index if their free-float-adjusted market capitalisation is equal to or greater than that of the company ranked 75<sup>th</sup> largest on Euronext Amsterdam in terms of free-float-adjusted market capitalisation.

Companies that do not fulfil the aforementioned additional criteria are not eligible for inclusion in the Amsterdam Small Cap index.

3.2.4 *Adjustment to regulated turnover*

If a company's value of regulated turnover is not available for the entire calendar year, its value of regulated turnover will be extrapolated to the entire calendar year. In such cases, the value of regulated turnover during the first twenty trading days that the company was admitted to listing on Euronext Amsterdam will be ignored.

For companies listed less than eighty trading days, the extrapolation will be adjusted by the following ratio:

$$\frac{[\text{Number of days listed}] - [\text{first 20 trading days}]}{60}$$

3.2.5 *Adjustment to selection criteria in case of other corporate events*

If a company is involved in a merger, acquisition or split, its value of turnover will be adjusted as appropriate.

If a company is involved in a merger, acquisition or a similar corporate event, the value of regulated turnover before the corporate event on Euronext Amsterdam of the company involved will be added to the value of regulated turnover of the company after the corporate event. For the purposes of these rules a merger or acquisition is taken to mean a situation in which the shares in the companies concerned are exchanged for shares in the company resulting from the merger.

In the event of a spin-off, a split-up or a similar corporate event, the value of regulated turnover before the corporate event will be assigned to the companies resulting from the corporate event based on the ratio of the corporate event. The value of regulated turnover will be assigned if a spun-off division is listed on the stock market as an independent company. For the purposes of these rules a spin-off is taken to mean a situation in which the shares in the companies concerned are exchanged for shares in the company resulting from the spin-off. The value of regulated turnover will not be assigned if a division of a company is sold, either privately or otherwise.

The Compiler will make the final decision if there is any doubt.

- 3.2.6 *Selection procedure annual full review* Procedure for the selection of index constituents at the annual full review:
1. A list is drawn up of all companies qualifying for selection. None of the companies which are to be included in the AEX-index or the Amsterdam Midkap index at the time of the annual full review of that index will be taken into consideration.
  2. The unadjusted value of regulated turnover is assigned to each company.
  3. Where necessary the value of regulated turnover is adjusted to obtain the total value of regulated turnover for the entire previous calendar year as officially published by Euronext Amsterdam (see article 3.2.4).
  4. Companies not fulfilling the criteria of article 3.2.3 will not be ranked.
  5. The qualifying companies are ranked according to value of regulated turnover (highest to lowest).
  6. Companies with a ranking of 1 to 23 will be selected by definition, regardless of whether these companies are already included in the Amsterdam Small Cap index.
  7. The last two companies are selected from the companies ranking 24th to 27th inclusive in the following manner:
    - (a) If all four companies are already included in the Amsterdam Small Cap index, the two companies with the highest value of regulated turnover will be selected. The composition of the index is then final.
    - (b) If three of the four companies are already included in the Amsterdam Small Cap index and one is not, the two companies already included in the Amsterdam Small Cap index, which have the highest value of regulated turnover, will be selected. The composition of the index is then final.
    - (c) If two of the four companies are already included in the Amsterdam Small Cap index and two are not, the two companies already included in the index will be selected. The composition of the index is then final.
    - (d) If one of the four companies is already included in the Amsterdam Small Cap index and three are not, the company already included in the Amsterdam Small Cap index will be selected for inclusion in the Amsterdam Small Cap index, together with the non-Amsterdam Small Cap index company with the highest value of regulated turnover. The composition of the index is then final.
    - (e) If none of the four companies are included in the Amsterdam Small Cap index, the two companies with the highest value of regulated turnover will be selected. The composition of the index is then final.
  8. Companies ranked 28th, 29th and lower will not be selected for the new composition of the Amsterdam Small Cap index as outcome of the annual full review.
- 3.2.7 *Publication of new selection at annual full review* The new selection of the Amsterdam Small Cap index constituents and their free float factors are published in an announcement at least one month before the annual full review takes place pursuant to article 3.2.2. In the event of a take-over or other exceptional circumstances, the Compiler has the right to revise the selection from the time the announcement is published up to the close of the markets (including the

trading-at-last phase) on the day when the annual full review takes place.

3.2.8 *Annual adjustment of the weighting in shares* The annual adjustment of the weightings in shares of the constituents is subject to the provisions of article 3.2.2. The new weightings are calculated on the basis of the free-float-adjusted market capitalisation of the constituents at the close of the market on the first trading day in March, subject to the provisions of article 3.2.11. The weighting of a constituent in the Amsterdam Small Cap index at the time of the annual full review may not exceed 15% (before the new weighting in shares is rounded in accordance with article 3.2.9).

3.2.9 *Rounding* The new weighting of each constituent, is expressed in terms of the number of the constituent's shares in the Amsterdam Small Cap index basket of shares. This number is generally rounded to the nearest whole number, provided that this does not change the level of the Amsterdam Small Cap index by more than 0.01 index points (see article 3.1.2). The maximum permissible change to the weighting of a constituent as a result of rounding compared with its weighting before rounding takes place is 5%. The Compiler reserves the right to round shares not to the nearest whole number but to one or more decimal places, if appropriate, in order not to exceed this maximum. The maximum percentage weight can exceed 15% as result of this rounding of the weightings in shares.

3.2.10 *Data used for determination free float market capitalisation* The closing prices on the day the annual full review is carried out, the free float figures and the number of listed shares as most recently published by Euronext Amsterdam are used to calculate free-float-adjusted market capitalisation.

3.2.11 *Free Float* The weighting of each constituent is determined on the basis of free-float-adjusted market capitalisation at the time the annual full review is carried out. If part of the issued share capital of a constituent is not freely available for trading (ie the free float is restricted), the free-float-percentage is rounded up to the nearest 5% multiple for the purpose of determining its weight.

The free float factors published in the announcement of the final selection remain valid until the annual full review in the following year.

### 3.3 **Rules for the interim review of the Amsterdam Small Cap index**

3.3.1 *General aim of interim review* The general aim of the Compiler when conducting the interim review of the Amsterdam Small Cap index is to include new constituents in the index when the Amsterdam Small Cap index temporarily consists of fewer than 25 constituents and/or when a constituent that has been removed from the AEX index or Amsterdam Midkap index qualifies for inclusion.

If the Amsterdam Small Cap index consists of 25 or more constituents and no companies qualify for entry, no interim review will take place.

3.3.2 *Date of interim review* The interim review of the index takes place each year after the close of the market on the first trading day in September, provided that at least

95% of the value of the Amsterdam Small Cap index is known at that day. Otherwise, the interim review will take place after the close of the market on the first trading day on which at least 95% of the value of the Amsterdam Small Cap index is known.

3.3.3 *Selection criteria for the interim review*

The selection of new constituents for the Amsterdam Small Cap index as part of the interim review is based on the value of regulated turnover of shares in the companies qualifying for selection during the full year from 1 July until 30 June, as officially published by Euronext Amsterdam.

In order for a company whose shares are listed on Euronext Amsterdam to qualify for inclusion in the Amsterdam Small Cap index, its shares must meet two additional criteria to those stipulated in section 1 of these rules.

- (a) The shares must have a trading velocity of at least 10%. In other words, their regulated trading volume should represent at least 10% of the total number of shares issued by the company listed on Euronext Amsterdam, calculated over the course of the full year from 1 July until 30 June. Velocity is calculated on a monthly basis by dividing the number of shares traded during a particular month by the number of shares listed at the end of the month (adjusted to take account of corporate events). These twelve monthly figures are added up to calculate the annual velocity. A company cannot be selected for the Amsterdam Small Cap index if its velocity is less than 10%. If regulated turnover in shares for a particular company is not available for the entire year, the velocity will be extrapolated to the entire year. When determining a share's velocity, the regulated turnover in shares during the first twenty trading days after the company was admitted to listing on Euronext Amsterdam will not be taken into consideration.
- (b) At least 25% of the shares listed by the company should be freely available for trading ("free float") on Euronext Amsterdam. Nevertheless, companies with a free float of less than 25% may be included in the Amsterdam Small Cap index if their free-float-adjusted market capitalisation is equal to or greater than that of the company ranked 75<sup>th</sup> largest on Euronext Amsterdam in terms of free-float-adjusted market capitalisation.

Companies that do not fulfil the aforementioned additional criteria are not eligible for addition to the Amsterdam Small Cap index.

3.3.4 *Adjustment to regulated turnover*

If a company's value of regulated turnover is not available for the entire year (from 1 July until 30 June), its value of regulated turnover will be extrapolated to the full year from 1 July until 30 June. In such cases, the value of regulated turnover during the first twenty trading days that the company was admitted to listing on Euronext Amsterdam will be ignored.

For companies listed less than eighty trading days, the extrapolation will be adjusted by the following ratio:

$$\frac{[\text{Number of days listed}] - [\text{first 20 trading days}]}{60}$$

- 3.3.5 *Adjustment to selection criteria in case of other corporate events*
- If a company is involved in a merger, acquisition or split, its value of turnover will be adjusted as appropriate.
- If a company is involved in a merger, acquisition or a similar corporate event, the value of regulated turnover before the corporate event on Euronext Amsterdam of the company involved will be added to the value of regulated turnover of the company after the corporate event. For the purposes of these rules a merger or acquisition is taken to mean a situation in which the shares in the companies concerned are exchanged for shares in the company resulting from the merger.
- In the event of a spin-off, a split-up or a similar corporate event, the value of regulated turnover before the corporate event will be assigned to the companies resulting from the corporate event based on the ratio of the corporate event. The value of regulated turnover will be assigned if a spun-off division is listed on the stock market as an independent company. For the purposes of these rules a spin-off is taken to mean a situation in which the shares in the companies concerned are exchanged for shares in the company resulting from the spin-off. The value of regulated turnover will not be assigned if a division of a company is sold, either privately or otherwise.
- The Compiler will make the final decision if there is any doubt.
- 3.3.6 *Selection procedure for the interim review*
- Selection procedure for the interim review:
1. A list is drawn up of all companies qualifying for selection or currently included in the Amsterdam Small Cap index. None of the securities which are to be included in the AEX-index or the Amsterdam Midkap index at the time of the interim review of that index will be taken into consideration.
  2. The unadjusted value of regulated turnover is assigned to each company.
  3. Where necessary the value of regulated turnover is adjusted to obtain the total value of regulated turnover for the entire year until the 30<sup>th</sup> of June as officially published by Euronext Amsterdam (see article 3.3.4).
  4. The companies are ranked according to value of regulated turnover (highest to lowest).
  5. Companies that are to be removed from the AEX-index or Amsterdam Midkap index in relation to the interim review of these indices with a ranking of 1 to 25 will be selected for inclusion in the Amsterdam Small Cap index.
  6. If after step (5) more than 25 constituents are included or selected for the Amsterdam Small Cap index, the lowest ranking current constituent(s) will be selected for removal in order to bring the number of constituents down to 25.
  7. If the number of constituents is smaller than 25, the highest ranking non-constituents will be selected for inclusion.
  8. If the Amsterdam Small Cap index consists of more than 25 companies due to a split-up or similar situation, no removal will take place unless related to step 6.
  9. If no additions or removals take place, the composition of the Amsterdam Small Cap index and the weightings in shares of the index constituents will remain unchanged.

3.3.7 *Publication of additions and removals at interim review*

The companies that will be added to the Amsterdam Small Cap index and their weightings in shares as well as the constituents that will be removed are published in an announcement after the close of the first trading day of August. In the event of a take-over or other exceptional circumstances, the Compiler has the right to revise the changes to the selection as well as the weightings in shares of the additions from the time the announcement is published up to the close of the markets (including the trading-at-last phase) on the day when the interim review takes place. The Compiler will not use this right if it has announced (after the close of the first trading day in August) that no interim review will take place.

3.3.8 *Weighting in shares of companies that will be added*

For companies, if any, to be added to the index at the interim review, the weightings in terms of number of shares in the basket are determined and published in advance of the interim review effective date. Basis of the procedure to determine these weightings is to bring these weightings in line with the current combined and capped market capitalisation of companies remaining in the index.

Only for the companies that will be newly included in the index as part of the interim review, the pre-published weighting in shares will be determined as follows:

1. At the end of the first trading day of August calculate the free-float adjusted market capitalisation of each company remaining in the Amsterdam Small Cap index and of each company that will be added to the Amsterdam Small Cap index by multiplying the current number of shares listed by the company by the last known share price, and then multiplying the result by the free-float percentage announced by Euronext Indices B.V. For companies included in the Amsterdam AEX-index, Amsterdam Midkap index or AScX-index on that date the free float percentage of the previous annual full review will be used. For other companies, a free float percentage will be determined based on the most recent available information.
2. Add together all the free-float adjusted market capitalisations calculated in step 1 to obtain the total free-float market adjusted market capitalisation of the 25 constituent companies to be included or to remain in the Amsterdam Small Cap index.
3. Divide the free-float adjusted market capitalization of each company in the Amsterdam Small Cap index (step 1) by the total free float adjusted market capitalisation (step 2). The results are the (uncapped) percentage weightings of each company.
4. If, following step 3, a constituent company has a percentage weighting of more than 15%, its percentage weighting is capped at 15%. The excess percentage weighting will be distributed among other companies in the index, according to their relative weightings.
5. Repeat step 4 until none of the companies has a percentage weighting of more than 15%.

6. Calculate the market value of the Amsterdam Small Cap index basket by multiplying the closing level of the index on the first trading day of August by 100.
7. Calculate the value of each constituent to be newly included in the Amsterdam Small Cap index basket by multiplying the company's percentage weighting of step 5 by the market value of the Amsterdam Small Cap index basket (step 6).
8. Calculate the indicative, unrounded number of shares of each company to be newly included in the Amsterdam Small Cap index by dividing the value of the to be newly included constituent in the Amsterdam Small Cap index basket (step 7) by the last known price of the company's share (as used in step 1).
9. For each company to be added, the outcome of step 8 is rounded to the nearest integer, provided that the result does not deviate from the unrounded figure by more than 5%.

### 3.3.9 *Rounding*

Since the level of the index will remain unchanged after companies are added to the index or have been removed from the index, the weightings of the other constituent companies will be changed proportionately. 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. Given the requirement that the value of the Amsterdam Small Cap index should not be affected by this, the Compiler of the Amsterdam Small Cap index may subsequently change the number of shares for each company. The maximum permissible deviation after rounding compared with the weighting before rounding off is 5%. Rounding to the nearest whole number of shares could lead to this maximum being exceeded. The Compiler of the Amsterdam Small Cap index therefore reserves the right to decide not to round the number of shares to the nearest whole number but to round to one or more decimal places where appropriate.

## 3.4 **Final provisions for periodical reviews**

- 3.4.1 *Cases not covered* In cases, which are not expressly covered by these rules, periodical reviews will take place along the lines of the aim set out in this section. The Compiler must submit all matters in relation to periodical reviews that are not specifically covered by these rules to the Supervisor of the Amsterdam Small Cap index for approval.

## 4. Corporate events affecting selection

### 4.1 Operational adjustment to the composition of the index

*General* The composition of the portfolio on which the Amsterdam Small Cap index is based may change as a result of decisions or events, which affect one or more of the constituents of the Amsterdam Small Cap index.

### 4.2 Mergers and Acquisitions

4.2.1 *Price source if trading stops* If regular daytime trading in one of the companies included in the Amsterdam Small Cap index stops or the company is no longer traded during regular daytime trading in officially listed shares, the Compiler of the Amsterdam Small Cap index will in the first instance use the last known price of the company concerned, subject to the provisions of section 2, but will also have the possibility of using prices which were not established during regular daytime trading in officially listed shares at Euronext Amsterdam.

4.2.2 *Mergers, acquisitions, other cases* If trading at Euronext Amsterdam is stopped or will stop in accordance with article 4.2.1, the following will apply:

- (a) in the event of a merger, acquisition or similar situation, the company in question will be replaced by the company that will continue to be traded during regular daytime trading in officially listed shares at Euronext Amsterdam, provided that this company complies with the requirements for inclusion in an index laid down in section 1 of these rules. If a bid is accepted during regular daytime trading hours this will result in the index being adjusted with effect from the next trading day. If a bid is accepted outside regular daytime trading hours this will result in the index being adjusted with effect from the second trading day after the bid was accepted. For the purpose of these rules a trading day is considered to be that part of the day during which regular daytime trading takes place at Euronext Amsterdam.
- (b) in all cases other than those described in (a) above the company in question will be removed from the index, on the understanding that a transitional period to be determined by the Compiler, subject to a maximum of three months, may apply, provided that the company in question continues to meet the requirements laid down in section 1 of these rules.

The removal of a company from the index will be announced at least three days in advance. The index will then temporarily consist of fewer than 25 companies until the next periodical review.

- 4.2.3 *Removal for reason of free float in bid situation* A company will be removed in any case if acceptance of a bid leads to a decrease of the free float below 25% unless the remaining free float ranks among the 75 biggest companies in terms of free float market capitalisation.
- The removal of a company from the index will be announced at least three days in advance. The index will then temporarily consist of fewer than 25 companies until the next periodical review.
- 4.2.4 *Prices used in case of merger or acquisition offers* If shares may be offered for exchange in connection with a merger or acquisition and this temporarily results in two listings at Euronext Amsterdam, the prices of the offered shares will be used, unless the Compiler decides otherwise. In the event of a merger or acquisition involving two or more companies included in the Amsterdam Small Cap index, the company that continues to be officially listed in accordance with article 4.2.2 (a) will be given the cumulative weighting of the companies included in Amsterdam Small Cap index before the merger or acquisition. The index will then temporarily consist of fewer than 25 companies until the next periodical review. In the event of a merger or acquisition involving at least one company that is not included in the Amsterdam Small Cap index, the company that continues to be officially listed in accordance with article 4.2.2 (a) will be given the original cumulative weighting of the companies included in the Amsterdam Small Cap index. The index may then temporarily consist of fewer than 25 companies until the next periodical review.
- 4.2.5 *Reweighting of other constituents* Since the level of the index will remain unchanged after a company has been removed from the index as referred to in article 4.2.2 or 4.2.3, the entire weighting of the company will be assigned proportionately to the other constituent companies.
- 4.3 **Split-up**
- 4.3.1 *Split-up inclusion* In the event that a company included in the Amsterdam Small Cap index is split up, the companies resulting from the split, including the original company where appropriate, will continue to be included in the index unless one of these companies is ranked 24 or lower on the basis of value of turnover for the last whole calendar year. The index may then temporarily consist of fewer than 25 companies until the next periodical review takes place, or more than 25 until the next annual full review is conducted. 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:
- If, after the split up of the original company, none of the resulting companies, including the original company where appropriate, are included in the index, the existing weighting of the original company will be allocated proportionately to the other companies included in the index;
  - If, after the split up of the original company, only one of the resulting company, including the original company where appropriate, is included in the index, the existing weighting of the original company will be allocated to this company;

- If, after the split up of the original company, two or more of the resulting companies, including the original company where appropriate, are included in the index, the existing weighting of the original company will be allocated to these companies in proportion to the market capitalisation ratios of these companies at that moment.

#### 4.4 **Final provisions for operational adjustments of selection**

- 4.4.1 *Permissible index change* Operational adjustments to the selection and/or weighting of companies included in the Amsterdam Small Cap index may not result in the index concerned changing by more than 0.01 index points.

If the situation as described in 4.2.2 (a) 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. If the Compiler decides to do so, it will make an announcement to this effect before the bid goes unconditional wherever possible.

- 4.4.2 *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. Given the requirement that the value of the Amsterdam Small Cap index should not be affected by this, the Compiler of the Amsterdam Small Cap index may subsequently change the number of shares for each company. The maximum permissible deviation after rounding compared with the weighting before rounding is 5%. Rounding to the nearest whole number of shares could lead to this maximum being exceeded. The Compiler of the Amsterdam Small Cap index therefore reserves the right to decide not to round the number of shares to the nearest whole number but to round to one or more decimal places where appropriate.

## 5. Corporate events affecting weighting of constituents

- 5.1 *Basic principle* The aim of the Compiler of the Amsterdam Small Cap index 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**
- 5.2.1 *Definition special dividend* In the event of ordinary dividends the index will not be adjusted.
- In the case of cash or scrip dividends, the index will only be adjusted if these dividends are special. The Compiler will use the following criteria for deciding whether a dividend should be considered to be a special dividend:
- (a) the declaration by a company of a dividend additional to those dividends declared as part of the company's normal results and dividend reporting cycle; merely an adjustment to the timing of the declaration of a company's expected dividend would not be considered as a special dividend circumstance; or
  - (b) the identification of an element of a dividend paid in line with a company's normal results and dividend reporting cycle as an element that is unambiguously additional to the company's normal payment.
- For the purpose of clarification, the Compiler will not make an adjustment for the following situations:
- 1. payment of ordinary dividends, irrespective of how they are financed;
  - 2. the issue of redeemable shares or any other entitlement in lieu of an ordinary dividend; or
  - 3. an unexpected increase or decrease, resumption or cessation, or change in frequency to an ordinary dividend.
- 5.2.2 *Adjustment for dividend* In the event of a special dividend, bonus dividend or bonus issue (in the form of cash or shares), the number of shares of the security in question that is included in the Amsterdam Small Cap index will be adjusted in such a way 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 Amsterdam Small Cap 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. 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.
- 5.4 *Change of capital structure* If the issuer of shares in a company included in the Amsterdam Small Cap index 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 in the company concerned 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.
- 5.7 *Threshold for change* The measures laid down in articles 5.2 up to 5.6 inclusive will not be taken if the Amsterdam Small Cap index would change by less than 0.01 index points as a result of the circumstances described in those articles.
- 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 Amsterdam Small Cap index 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 of the Amsterdam Small Cap index, 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 directors of Euronext Indices B.V., a subsidiary of Euronext Amsterdam N.V., is the Compiler of the Amsterdam Small Cap index. The AEX Advisory Committee acts as adviser to the Compiler when amendments are made to these rules and whenever the Compiler deems this to be desirable or necessary in connection with the performance of its work. The AEX Steering Committee acts as the supervisor of the Amsterdam Small Cap index.
- 6.2 *Compiler* The Compiler is responsible for the day-to-day management of the Amsterdam Small Cap index 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 Amsterdam Small Cap index 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 Amsterdam Small Cap index is compiled or calculated or affect the Amsterdam Small Cap index in another way. The Compiler will submit all decisions regarding supplementing, amending, revising or withdrawing these rules to the AEX Steering Committee for recommendations and approval. All decisions will be published immediately. A period of at least three 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. Euronext Amsterdam N.V., the Compiler nor the AEX Steering Committee are liable for any losses resulting from supplementing, amending, revising or withdrawing the Rules for the Amsterdam Small Cap index.
- 6.5 *Liability* The Compiler will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the Amsterdam Small Cap index in accordance with relevant rules. However, Euronext Amsterdam N.V., the Compiler and the AEX Steering Committee 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 Amsterdam Small Cap index* Euronext Indices B.V. owns all intellectual and other property rights to the Amsterdam Small Cap index, including the name, the composition and the calculation of the Amsterdam Small Cap index.

## Definitions

<b>AEX Advisory Committee:</b>	committee consisting of representatives of users of the Amsterdam Small Cap index which advises the Compiler with respect to the Amsterdam Small Cap index.
<b>AEX Steering Committee:</b>	committee consisting of independent persons which acts as supervisor to the Amsterdam Small Cap Index and to which all decisions regarding supplementing, amending, revising or withdrawing these rules are submitted for approval.
<b>Compiler:</b>	the AEX Committee of the board of directors of Euronext Indices B.V.
<b>ICB classification system:</b>	Industry Classification Benchmark system