

# INDEX RULE BOOK

## Leverage, Short, and Bear Indices

Version 19-01

Effective from 4 February 2019

[indices.euronext.com](http://indices.euronext.com)

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## 1. INDEX SUMMARY

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<b>Factsheet</b>	<b>Leverage, Short and Bear indices</b>
<b>Index names</b>	Various based on AEX®, BEL 20®, CAC 40®, PSI 20® and ISEQ®
<b>Index type</b>	Indices are based on price index versions or Net return index or Gross return index versions.
<b>Index governance structure</b>	Euronext acts as Supervisor and as the Compiler and is responsible for the day-to-day management of the index. The underlying indices have independent Steering Committees acting as Supervisor.
<b>Calculation</b>	Based on daily leverage. May include spread on interest rate or Financing Adjustment rate in the calculation
<b>Rule for exceptional trading circumstances</b>	Either suspend or reset if underlying index moved beyond certain threshold. See reference table.

Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
<b>AEX® based</b>						
AEXLV	AEX® Leverage	AEX®	2	Suspend if Underlying Index < 75% of close of previous day	QS0011095898	1,000 at 31Dec2002
AEXNL	AEX® Leverage NR	AEX® NR	2	Suspend if Underlying Index < 75% of close of previous day	QS0011216205	1,000 at 31Dec2002
AEXTL	AEX® Leverage GR	AEX® GR	2	Suspend if Underlying Index < 75% of close of previous day	QS0011179239	1,000 at 31Dec2002
AEX3L	AEX® X3 Leverage NR	AEX® NR	3	Reset if Underlying Index < 85% of close of previous day.	QS0011230115	10,000 at 31Dec2008
AEX4L	AEX® X4 Leverage NR	AEX® NR	4	Reset if Underlying Index < 85% of close of previous day.	QS0011230156	10,000 at 31Dec2008
AEX5L	AEX® X5 Leverage NR	AEX® NR	5	Reset if Underlying Index < 85% of close of previous day	QS0011230164	10,000 at 31Dec2008
AEX6L	AEX® X6 Leverage NR	AEX® NR	6	Reset if Underlying Index < 85% of close of previous day	QS0011230172	100,000 at 31Dec2008
AEX7L	AEX® X7 Leverage NR	AEX® NR	7	Reset if Underlying Index < 88% of close of previous day	QS0011230180	100,000 at 31Dec2008
AE10L	AEX® X10 Leverage NR	AEX® NR	10	Reset if Underlying Index < 91% of close of previous trading day	NL0011515366	10,000 at 31Oct2015
A12LE	AEX® X12 Leverage NR	AEX® NR	12	Reset if Underlying Index < 93% of close of previous trading day	NL0011936141	10,000 at 30Jun2016
A15LE	AEX® X15 Leverage NR	AEX® NR	15	Reset if Underlying Index < 94% of close of previous trading day	NL0011936133	10,000 at 30Jun2016
AEXSH	AEX® Short GR	AEX® GR	-1	Suspend if Underlying Index >125% of close of previous day	QS0011095914	1,000 at 31Dec2002

Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
AEX2S	AEX® Double Short GR	AEX® GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011146899	1,000 at 31Dec2002
AEXXB	AEX® Xbear GR	AEX® GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011100854	1,000 at 31Dec2002
AEX3S	AEX® X3 SHORT GR	AEX® GR	-3	Reset if Underlying Index > 115% of close of previous day	QS0011230198	10,000 at 31Dec2008
AEX4S	AEX® X4 SHORT GR	AEX® GR	-4	Reset if Underlying Index > 115% of close of previous day	QS0011230206	10,000 at 31Dec2008
AEX5S	AEX® X5 SHORT GR	AEX® GR	-5	Reset if Underlying Index > 115% of close of previous day	QS0011230214	10,000 at 31Dec2008
AEX6S	AEX® X6 SHORT GR	AEX® GR	-6	Reset if Underlying Index > 115% of close of previous day	QS0011230222	100,000 at 31Dec2008
AEX7S	AEX® X7 SHORT GR	AEX® GR	-7	Reset if Underlying Index > 112% of close of previous day	QS0011230230	100,000 at 31Dec2008
AE10S	AEX® X10 Short GR	AEX® GR	-10	Reset if Underlying Index > 109% of close of previous day	NL0011515390	10,000 at 31Oct2015
AE12S	AEX® X12 Short GR	AEX® GR	-12	Reset if Underlying Index > 107% of close of previous day	NL0011515408	10,000 at 31Oct2015
AE15S	AEX® X15 Short GR	AEX® GR	-15	Reset if Underlying Index > 106% of close of previous day	NL0011515416	10,000 at 31Oct2015
BEL 20® based						
BELLV	BEL 20® Leverage	BEL 20®	2	Suspend if Underlying Index < 75% of close of previous day	QS0011095864	1,000 at 31Dec2002

Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
BELTL	BEL 20 <sup>®</sup> Leverage GR	BEL 20 <sup>®</sup> GR	2	Suspend if Underlying Index < 75% of close of previous day	QS0011179247	1,000 at 31Dec2002
BEL3L	BEL 20 <sup>®</sup> Triple Leverage	BEL 20 <sup>®</sup>	3	Suspend if Underlying Index < 75% of close of previous day	QS0011146915	10,000 at 31Dec2002
BE3LN	BEL 20 <sup>®</sup> X3 Leverage NR	BEL 20 <sup>®</sup> NR	5	Suspend if Underlying Index < 85% of close of previous day	BE0389916736	10,000 at 31Dec2013
BEL5L	BEL 20 <sup>®</sup> X5 Leverage NR	BEL 20 <sup>®</sup> NR	5	Suspend if Underlying Index < 85% of close of previous day	BE0389914715	10,000 at 31Dec2013
BELSH	BEL 20 <sup>®</sup> Short GR	BEL 20 <sup>®</sup> GR	-1	Suspend if Underlying Index >125% of close of previous day	QS0011095880	1,000 at 31Dec2002
BEL2S	BEL 20 <sup>®</sup> DoubleShort GR	BEL 20 <sup>®</sup> GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011146923	1,000 at 31Dec2002
BELXB	BEL 20 <sup>®</sup> Xbear GR	BEL 20 <sup>®</sup> GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011100847	1,000 at 31Dec2002
BEL3S	BEL 20 <sup>®</sup> Triple Short GR	BEL 20 <sup>®</sup> GR	-3	Suspend if Underlying Index >125% of close of previous day	QS0011146931	10,000 at 31Dec2002
BEL5S	BEL 20 <sup>®</sup> X5 Short GR	BEL 20 <sup>®</sup> GR	-5	Suspend if Underlying Index >115% of close of previous day	BE0389915720	10,000 at 31Dec2013
<b>CAC 40<sup>®</sup> based</b>						
CACLV	CAC 40 <sup>®</sup> Leverage	CAC 40 <sup>®</sup>	2	Suspend if Underlying Index < 75% of close of previous day	QS0011095815	1,000 at 31Dec2002
CACTL	CAC 40 <sup>®</sup> Leverage NR	CAC 40 <sup>®</sup> NR	2	Suspend if Underlying Index < 75% of close of previous day	QS0011179221	1,000 at 31Dec2002
CACGL	CAC 40 <sup>®</sup> Leverage GR	CAC 40 <sup>®</sup> GR	2	Suspend if Underlying Index < 75% of close of previous day	QS0011216213	1,000 at 31Dec2002

Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
CAC3L	CAC 40® X3 Leverage NR	CAC 40® NR	3	Reset if Underlying Index < 85% of close of previous day.	QS0011146857	10,000 at 31Dec2008
CAC4L	CAC 40® X4 Leverage NR	CAC 40® NR	4	Reset if Underlying Index < 85% of close of previous day.	QS0011206008	10,000 at 31Dec2008
CAC5L	CAC 40® X5 Leverage NR	CAC 40® NR	5	Reset if Underlying Index < 85% of close of previous day	QS0011206016	10,000 at 31Dec2008
CAC6L	CAC 40® X6 Leverage NR	CAC 40® NR	6	Reset if Underlying Index < 85% of close of previous day	QS0011223516	100,000 at 31Dec2008
CAC7L	CAC 40® X7 Leverage NR	CAC 40® NR	7	Reset if Underlying Index < 88% of close of previous day	QS0011223524	100,000 at 31Dec2008
CA10L	CAC 40® X10 Leverage NR	CAC 40® NR	10	Reset if Underlying Index < 91% of close of previous trading day	QS0011231642	1,000,000 at 31Dec2010
C12LE	CAC 40® X12 Leverage NR	CAC 40® NR	12	Reset if Underlying Index < 93% of close of previous trading day	FR0013186939	10,000 at 30Jun2016
C15LE	CAC 40® X15 Leverage NR	CAC 40® NR	15	Reset if Underlying Index < 94% of close of previous trading day	FR0013186921	10,000 at 30Jun2016
CACSH	CAC 40® Short GR	CAC 40® GR	-1	Suspend if Underlying Index >125% of close of previous day	QS0011095831	1,000 at 31Dec2002
CAC2S	CAC 40® Double Short GR	CAC 40® GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011146865	1,000 at 31Dec2002
CACXB	CAC 40® Xbear GR	CAC 40® GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011095856	1,000 at 31Dec2002
CAC3S	CAC 40® X3 Short GR	CAC 40® GR	-3	Reset if Underlying Index > 115% of close of previous day	QS0011146873	10,000 at 31Dec2008

Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
CAC4S	CAC 40® X4 Short GR	CAC 40® GR	-4	Reset if Underlying Index > 115% of close of previous day	QS0011206917	10,000 at 31Dec2008
CAC5S	CAC 40® X5 Short GR	CAC 40® GR	-5	Reset if Underlying Index > 115% of close of previous day	QS0011206925	10,000 at 31Dec2008
CAC6S	CAC 40® X6 SHORT GR	CAC 40® GR	-6	Reset if Underlying Index > 115% of close of previous day	QS0011223532	100,000 at 31Dec2008
CAC7S	CAC 40® X7 SHORT GR	CAC 40® GR	-7	Reset if Underlying Index > 112% of close of previous day	QS0011223540	100,000 at 31Dec2008
CA10S	CAC 40® X10 SHORT GR	CAC 40® GR	-10	Reset if Underlying Index > 109% of close of previous day	QS0011231659	1,000,000 at 31Dec2010
CA12S	CAC 40® X12 SHORT GR	CAC 40® GR	-12	Reset if Underlying Index > 107% of close of previous day	QS0011249701	10,000 at 31Dec2012
CA15S	CAC 40® X15 SHORT GR	CAC 40® GR	-15	Reset if Underlying Index > 106% of close of previous day	FR0011627892	10,000 at 1Oct2013
<b>PSI 20® based</b>						
PSILV	PSI 20® Leverage	PSI 20®	2	Suspend if Underlying Index < 75% of close of previous day	QS0011095922	1,000 at 31Dec2002
PSITL	PSI 20® Leverage GR	PSI 20® GR	2	Suspend if Underlying Index < 75% of close of previous day	QS0011179254	1,000 at 31Dec2002
PSI3L	PSI 20® X3 Leverage GR	PSI 20®	3	Suspend if Underlying Index < 75% of close of previous day	QS0011146949	10,000 at 31Dec2002
PS3LN	PSI 20® X3 Leverage NR	PSI 20® NR	3	Suspend if Underlying Index < 75% of close of previous day	PTINO0220004	10,000 at 31Dec2013



Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
PSISH	PSI 20® Short GR	PSI 20® GR	-1	Suspend if Underlying Index >125% of close of previous day	QS0011095948	1,000 at 31Dec2002
PSI2S	PSI 20® Double Short GR	PSI 20® GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011146956	1,000 at 31Dec2002
PSIXB	PSI 20® Xbear GR	PSI 20® GR	-2	Suspend if Underlying Index >125% of close of previous day	QS0011100862	1,000 at 31Dec2002
PSI3S	PSI 20® Triple Short GR	PSI 20® GR	-3	Suspend if Underlying Index >125% of close of previous day	QS0011146964	10,000 at 31Dec2002
<b>ISEQ® 20 based</b>						
ISELV	ISEQ® 20 Leverage	ISEQ® 20	2	Suspend if Underlying Index < 75% of close of previous day	IE00B2QF4Y48	1,000 at 31Dec2008

Version notes:

19-01 Inclusion of ISEQ 20 Leverage index; removal table reverse splits

## **2. GOVERNANCE AND DISCLAIMER**

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### **2.1 INDICES**

This rule book applies to the leveraged, short, and bear indices owned by Euronext N.V. or its subsidiaries (hereinafter jointly “Euronext”), based on the following indices:

- AEX®
- BEL 20®
- CAC 40®
- PSI 20®
- ISEQ 20®

Hereinafter referred to as “index”.

### **2.2 COMPILER**

Euronext is the Compiler of the index. The Compiler is responsible for the day-to-day management of the index and is also responsible for decisions regarding the interpretation of these rules.

### **2.3 CASES NOT COVERED IN RULES**

In cases which are not expressly covered in these rules, operational adjustments will take place along the lines of the aim of the index. 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 products based on the index and/or the proper functioning of the markets.

### **2.4 RULE BOOK CHANGES**

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 index is compiled or calculated or affect the index in another way.

### **2.5 LIABILITY**

Euronext, the Compiler and the Supervisor are not liable for any losses resulting from supplementing, amending, revising or withdrawing the rules for the index.

The Compiler will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the index in accordance with relevant rules. However, neither Euronext, nor the Compiler, nor the Supervisor are liable for any inaccuracy in index composition, share prices, calculations and the publication of the index, the information used for making adjustments to the index and the actual adjustments. Furthermore, Euronext, the Compiler and the Supervisor do not guarantee the continuity of the composition of the index, the continuity of the method of calculation of the index, the continuity of the dissemination of the index levels, and the continuity of the calculation of the index.

### **2.6 OWNERSHIP AND TRADEMARKS**

Euronext owns all intellectual and other property rights to the index, including the name, the composition and the calculation of the index. AEX®, BEL 20®, CAC 40®, ISEQ 20® and PSI 20® are registered trademark(s) of Euronext.

### 3. CALCULATION

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#### 3.1 DEFINITION AND COMPOSITION OF THE INDEX

The leverage index tracks the performance of a strategy that has a multiple (K) exposure to an underlying index with the support of short-term financing.

The Short or Bear index tracks the performance of a strategy which reverses a multiple (K) exposure to the underlying index by combining a short position on the underlying index and exposure to a risk-free money-market instrument, (the EONIA or another rate). The latter exposure consists of the money invested in the index plus the multiple (K) short positions.

#### 3.2 CALCULATION OF THE LEVERAGE INDICES

The general formula of the Leverage indices is defined as follows:

$$LI_t = LI_T \left[ 1 + K \left( \frac{UI_t}{UI_T} - 1 \right) \right] - (K - 1) LI_T \left[ \frac{IR_T}{360} \right] D_{t,T} - a(K - 1) \times LI_T \left[ \frac{SPR_T}{360} \right] D_{t,T}$$

Where:

$T$	=Rebalancing date; for daily indices this is the previous business day.
$LI_t$	= Leverage index level at time of calculation t
$LI_T$	= Closing Leverage index level on the previous calculation day
$UI_t$	= Underlying index level (see Index summary) at time of calculation t
$UI_T$	= Closing Underlying Index level on the last rebalancing day T
$IR_T$	= Applicable interest rate as at the rebalancing date T. For daily indices this is EONIA.
$D_{t,T}$	= the number of days between the day of the calculation and T, the rebalancing day
SPRT	= Applicable interest rate spread over the $IR_T$
a	= Applicable factor to apply spread over IR if not applied, a=0
K	= Leverage factor

#### 3.3 CALCULATION OF THE BEAR AND SHORT INDICES

The general formula of the Short indexes is defined as follows:

$$BI_t = BI_T \left[ 1 - K \left( \frac{UI_t}{UI_T} - 1 \right) \right] + (K + 1) BI_T \left[ \frac{IR_T}{360} \right] D_{t,T} - K.a.BI_T \left[ \frac{FIN_T}{360} \right] D_{t,T}$$

$T$  =Rebalancing date; for daily indices this is the previous business day.

$BI_t$  = Short or Bear index level at time of calculation t

$BI_T$	= Closing Short index level on the previous calculation day
$UI_t$	= Underlying index level (see Index summary) at time of calculation t
$UI_T$	= Closing Underlying Index level on the previous calculation day
$D_{t,T}$	= the number of days between the day of the calculation and T, the rebalancing day
$IR_T$	= Applicable interest rate as at the rebalancing date T. For daily indices this is EONIA.
$FIN_T$	= Financing Adjustment rate. The rate reflecting the cost specifically associated with the strategy. The rate may be different for some underlying indices or may not be applied for specific indices.
$a$	= Applicable factor to apply FIN. If FIN rate is not applied $a=0$ .
K	= Short factor

### 3.4 REVERSE SPLIT OF INDEX LEVEL

If an index has dropped below 10 it may qualify for a reverse split. This rule is applied to the indices with a factor 4 or higher or -4 or less. For the reverse split the Compiler will use a standard reverse ratio of 1 000.

#### *Periodical Review*

Indices are reviewed each month on the first Friday. If an index level has reached a closing level below 10 on the previous day, the index level will be adjusted 2 weeks later by a reverse split.

#### *Implementation of reverse split*

After close of business on the 3<sup>rd</sup> Friday of the month, the closing level will be multiplied by 1,000 (one thousand).

In case the Friday is not a trading day, the review or implementation will be on the day before.

### 3.5 SPLIT OF INDEX LEVEL

If an index has risen above 750.000 it may qualify for a split.

This rule is applied to the indices with a factor 4 or higher or -4 or less. For the split the Compiler will use a standard ratio of 1 000.

#### *Periodical Review*

Indices are reviewed each month on the first Friday. If an index level has reached a closing level above 750 000 on the previous day, the index level will be adjusted 2 weeks later by a split.

#### *Implementation of split*

After close of business on the 3<sup>rd</sup> Friday of the month, the closing level will be divided by 1 000 (one thousand).

In case the Friday is not a trading day, the review or implementation will be on the day before.

### 3.6 FINANCING ADJUSTMENT RATE (FIN)

The Financing Adjustment Rate is replacing the Repo rate and is determined on 20 bps from 1-Nov-2017.

## 4. PUBLICATION

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### 4.1 DISSEMINATION OF INDEX VALUES

#### 4.1.1 Opening

The calculation of the index starts as soon as the official index levels of the underlying indexes are available.

#### 4.1.2 Calculation and dissemination

The index is calculated based on the most recent prices of transactions concluded on Euronext Markets. The level of the index is in principle published every 15 seconds. The index is calculated from 09:00 hours CET until Euronext Markets stop regular daytime trading on the days when Euronext Markets are open for trading.

#### 4.1.3 Closing level

The calculation of the closing index levels is based on the respective official underlying index closing levels published by Euronext.

### 4.2 EXCEPTIONAL MARKET CONDITIONS AND CORRECTIONS

#### 4.2.1 Unavailability of the underlying index level

In case the level of the underlying index is not available during a period outside the regular closing time of the Euronext markets, the level of the index will not be calculated.

If the unavailability extends over the closing auction time of the Euronext markets, the closing value of the index will be the last level known before the unavailability of the underlying index.

#### 4.2.2 Extreme market movements

In case the level of the underlying index rises or falls more than a predefined percentage relative to the close of the previous trading day, the index will be either suspended or reset (see index summary).

#### 4.2.3 Procedure for Suspension

If an index is **suspended**, the Compiler will confirm the index level to be considered as the closing index value at the market close.

#### 4.2.4 Procedure for reset of daily leveraged/short indices

In case the level of the underlying index rises or falls by more than a predefined percentage relative to its close of the previous trading day, the Leverage or Short Index will be reset. If an index is **reset**, the index will be adjusted intraday:

- For leverage calculations only downtrend movements will trigger a reset
- For short calculations only uptrend movements will trigger the reset.

Numerically, the intraday reset condition is defined as follows (with  $\alpha > 0$ ):

$$\frac{UI_t}{UI_T} < \alpha\% \quad (\text{C1-L}) \text{ for Leverage indices}$$

Or

$$\frac{UI_t}{UI_T} > \alpha\% \quad (\text{C1-S}) \text{ for Short/Bear indices}$$

Where:

- $UI_t$  is the real-time price of the index at time of calculation time  $t$ ;
- $UI_T$  is the official closing level of the index on the previous rebalance day;
- $\alpha\%$  = as per the Index Summary section above under the column "Rule in case of extreme market movements".

**For Leverage indices**, if condition (C1-L) is met at calculation time t:

- The calculation of the index is suspended temporarily (i.e. the level that was published just before the condition is met will keep on being published).
- The prices of the Underlying Index are observed during 5 full minutes.
- The **minimum price** of the Underlying Index during the 5-minute observation period is used to reset the Leverage Index.

**For Short/Bear indices**, if condition (C1-S) is met at calculation time t:

- The calculation of the index is suspended temporarily (i.e. the level that was published just before the condition is met will keep on being published).
- The prices of the Underlying Index are observed during 5 full minutes.
- The **highest price** of the Underlying Index during the 5-minute observation period is used to reset the Leverage Index.

Once the observation period is over the calculation of the index is resumed as per the formula below:

$$LI_t = LI_{R1} \left[ 1 + K \left( \frac{UI_t}{UI_{R1L}} - 1 \right) \right]$$

Or

$$SI_t = SI_{R1} \left[ 1 - K \left( \frac{UI_t}{UI_{R1H}} - 1 \right) \right]$$

Where:

$UI_{R1L}$  is the lowest recorded index level over an observation period of 5 minutes following calculation time t (time when the threshold was crossed);

$LI_{R1}$  is the level of the index using index level  $UI_{R1L}$ ;

$$LI_{R1} = LI_{T-1} \left[ 1 + K \left( \frac{UI_{R1L}}{UI_T} - 1 \right) - (K - 1) \times \left[ \frac{EONIA_T}{360} \right] \times D_{T,T-1} - (K - 1) \left[ \frac{SPR_T}{360} \right] \times D_{T,T-1} \right]$$

$UI_{R1H}$  is the highest recorded index level over an observation period of 5 minutes following calculation time t (time when the threshold was crossed);

$SI_{R1}$  is the level of the index using index level  $UI_{R1H}$ ;

$$SI_{R1} = SI_{T-1} \left[ 1 - K \left( \frac{UI_{R1H}}{UI_T} - 1 \right) + (K + 1) \times \left[ \frac{EONIA_T}{360} \right] \times D_{T,T-1} - K \left[ \frac{FIN_T}{360} \right] \times D_{T,T-1} \right]$$

Note that no additional refinancing costs are calculated after an intraday reset occurs.

An intraday reset may occur more than once during the same scheduled calculation date. After a first intraday reset occurs, the condition becomes the following:

$$\frac{UI_t}{UI_{R1L}} < \alpha\% \quad \text{(C2-L) for Leverage indices}$$

Or

$$\frac{UI_t}{UI_{R1H}} > \alpha\% \quad \text{(C2-S) for Short/Bear indices}$$

Where:

$UI_t$  is the index level used at time of calculation t;

$UI_{R1L}$  as defined above;

$UI_{R1H}$  as defined above;

$\alpha\%$  as defined above.

If the above condition (C2) is met, another intraday reset is triggered. The calculation in real-time resumes as follows:

$$LI_t = LI_{R2} \left[ 1 + K \left( \frac{UI_t}{UI_{R2L}} - 1 \right) \right]$$

Or

$$SI_t = SI_{R2} \left[ 1 - K \left( \frac{UI_t}{UI_{R2H}} - 1 \right) \right]$$

Where:

$UI_{R2L}$  is the lowest recorded index level over an observation period of 5 minutes following calculation time t (time when condition (C2-L) is met).

$$LI_{R2} = LI_{R1} \left[ 1 + K \left( \frac{UI_{R2L}}{UI_{R1L}} - 1 \right) \right]$$

$UI_{R2H}$  is the lowest recorded index level over an observation period of 5 minutes following calculation time t (time when condition (C2-S) is met).

$$SI_{R2} = SI_{R1} \left[ 1 - K \left( \frac{UI_{R2H}}{UI_{R1H}} - 1 \right) \right]$$

The same procedure is followed for any other intraday reset following another crossing of the predefined threshold.

The closing level of the index will be calculated in accordance with the last parameters defined for the last reset event as described above.

In case  $LI_{R1} \leq 0$  or  $SI_{R1} \leq 0$ , the index level will be fixed at 0.001. This index level will continue to be broadcasted for 4 weeks after the reset occurred. Subsequently the index will be discontinued.

### 4.3 ANNOUNCEMENT POLICY

The announcement policy is described in the Euronext Indices Announcement policy document that is available on [indices.euronext.com/index-rules](https://indices.euronext.com/index-rules).