

# INDEX GUIDELINE

UBS EU Equity Enhanced Call Writing CHF TR Index

Version 1.0

23 May 2024

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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 EU Equity Enhanced Call Writing CHF TR Index (the "**INDEX**"). Any amendments to the rules made to the GUIDELINE are approved by the INDEX COMMITTEE specified in Section 5.5. The INDEX is owned by UBS AG London Branch ("**INDEX OWNER**"). 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**") from the **INDEX TRANSFER DATE**. 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. The INDEX ADMINISTRATOR 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. The INDEX ADMINISTRATOR strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for The INDEX ADMINISTRATOR – 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 The INDEX ADMINISTRATOR does not constitute a recommendation for capital investment and does not contain any assurance or opinion of The INDEX ADMINISTRATOR regarding a possible investment in a financial instrument based on this INDEX.**

# 1. INDEX SPECIFICATIONS

## 1.1. SCOPE OF THE INDEX

Category	Description
Asset Class	Equity
Strategy	<p>The INDEX is a rules-based strategy which notionally enters into a long position in an index and spot converts the proceeds of this position in EUR to CHF on a monthly basis.</p> <p>The INDEX is calculated on a notional basis. The investment exposure provided by the INDEX is purely synthetic .</p>
Regional Allocation	Europe

Table 1: Index Overview

## 1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers.

Name	ISIN	Currency	Type	RIC	BBG Ticker
UBS EU Equity Enhanced Call Writing CHF TR Index	DE000SLOKTZO	CHF	Total Return	.CSEAECCCT	CSEAECCCT Index

Table 2: Index Identifiers

The INDEX is published on the website of the INDEX ADMINISTRATOR ([www.solactive.com](http://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/>.

Prior to the INDEX TRANSFER DATE, the INDEX was named "Credit Suisse EU Equity Enhanced Call Writing CHF Total Return Index", and it was sponsored, calculated and administered by Credit Suisse International and documented under the Index Specific Rule for the Credit Suisse EU Equity Enhanced Call Writing CHF TR Index dated as of 17 June 2019.

## 1.3. INITIAL LEVEL OF THE INDEX

The INDEX is initialized on the INDEX TRANSFER DATE using an initial portfolio, as set forth in the Appendix, and the Index Level as of the INDEX CALCULATION DAY immediately preceding the INDEX TRANSFER DATE. Historical values from the INDEX TRANSFER DATE, will be recorded in accordance with Article 8 of the BMR. Levels of the INDEX published prior to the INDEX TRANSFER DATE have been calculated by Credit Suisse International.

## 1.4. PRICES AND CALCULATION FREQUENCY

The level of the INDEX is calculated in respect of each INDEX CALCULATION DAY  $t$  and is published at 09:30 a.m. CET on the INDEX CALCULATION DAY immediately following INDEX CALCULATION DAY  $t$ .

## 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 the INDEX OWNER.

## 2. INDEX SELECTION

### 2.1. INDEX COMPONENTS

The index is composed of the Excess Return version of the UBS EU Equity Enhanced Call Writing TR Index (.CSEAECET) (the "INDEX COMPONENT"), which is documented under the Index Specific Rule for the UBS EU Equity Enhanced Call Writing TR Index.

### 2.2. NUMBER OF UNITS OF THE INDEX COMPONENT

The Number of Units invested in the INDEX COMPONENT is calculated according to the following formula:

- In relation to the INDEX START DATE  $t_0$ :

$$Units_{t_0} = \frac{Index_{t_0}}{IC_{t_0} \times FX_{t_0}^{EUR}}$$

- In relation to the any following SCHEDULED REBALANCING DAY  $t_{SReb}$ , the Target Number of Units is calculated according to the following formula:

$$Units_{t_{SReb}} = \frac{Index_{t_{SReb}-Lag}}{IC_{t_{SReb}-Lag} \times FX_{t_{SReb}-Lag}^{EUR}}$$

- In relation to any INDEX CALCULATION DAY  $t$ :
  - o Where INDEX CALCULATION DAY is the first INDEX CALCULATION DAY from (and including) SCHEDULED REBALANCING DAY  $t_{SReb}$ :

$$Units_t = Units_{t_{SReb}}$$

- o Otherwise:

$$Units_t = Units_{t-1}$$

With:

$Index_{t_0}$ : means the INDEX LEVEL in respect of the INDEX START DATE  $t_0$

$IC_{t_0}$ : means the INDEX COMPONENT LEVEL of the INDEX COMPONENT  $IC$  in respect of the INDEX START DATE  $t_0$

$FX_{t_0}^{EUR}$ : the CHF/EUR FX Rate (quoted as the number of CHF per 1 unit of EUR – see Table 3: FX Rate) in respect of the INDEX START DATE  $t_0$

$Units_{t_{SReb}}$ : means the Target Number of Units of the INDEX COMPONENT  $IC$  in respect of SCHEDULED REBALANCING DAY  $t_{SReb}$

$Lag$ : 1

$Index_{t_{SReb}-Lag}$ : means the INDEX LEVEL in respect of the INDEX CALCULATION DAY falling  $Lag$  INDEX CALCULATION DAYS prior to SCHEDULED REBALANCING DAY  $t_{SReb}$

$IC_{t_{SReb}-Lag}$ : means the INDEX COMPONENT LEVEL of the INDEX COMPONENT  $IC$  in respect of the INDEX CALCULATION DAY falling  $Lag$  INDEX CALCULATION DAYS prior to SCHEDULED REBALANCING DAY  $t_{SReb}$

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$FX_{t_{SReb}-Lag}^{EUR}$ : the CHF/EUR FX Rate (quoted as the number of CHF per 1 unit of EUR – see Table 3: FX Rate) in respect of INDEX CALCULATION DAY falling *Lag* INDEX CALCULATION DAYS prior to SCHEDULED REBALANCING DAY  $t_{SReb}$

Currency Pair	FX Rate
CHF/EUR	Quoted as the number of CHF per 1 unit of EUR, calculated at 4pm London time published by WM Company on the relevant Reuters page WMRSPOT or any successor page

Table 3: FX Rate

## 3. REBALANCE

### 3.1. ORDINARY REBALANCE

The Number of Units in the INDEX COMPONENT *IC* is rebalanced monthly on the SCHEDULED REBALANCING DAY  $t_{SReb}$  in accordance with the formula defined in Section 2.2.

### 3.2. EXTRAORDINARY REBALANCE

No extraordinary rebalance takes place.



## 4. CALCULATION OF THE INDEX

### 4.1. INDEX FORMULA

The INDEX LEVEL  $Index_t$  is calculated in accordance with the following formula:

- In relation to the INDEX START DATE  $t_0$ :

$$Index_{t_0} = 1,000$$

- In relation to any following INDEX CALCULATION DAY  $t$ :

$$Index_t = Index_{t-1} + Perf_t + CashPerf_t$$

With:

$Index_{t-1}$ : means the INDEX LEVEL in respect of the INDEX CALCULATION DAY immediately preceding INDEX CALCULATION DAY  $t$

$CashPerf_t$ : the CASH PERFORMANCE in respect of INDEX CALCULATION DAY  $t$

$Perf_t$ : the INDEX PERFORMANCE in respect of INDEX CALCULATION DAY  $t$

#### 4.1.1. Index Performance

In relation to INDEX CALCULATION DAY  $t$ , the INDEX PERFORMANCE  $Perf_t$  is calculated in accordance with the following formula:

$$Perf_t = Units_{t-1} \times (IC_t - IC_{t-1}) \times FX_t^{EUR}$$

With:

$Units_{t-1}$ : the Number of Units of the INDEX COMPONENT  $IC$  in respect of the INDEX CALCULATION DAY immediately preceding INDEX CALCULATION DAY  $t$

$IC_{t-1}$ : means the INDEX COMPONENT LEVEL of the INDEX COMPONENT  $IC$  in respect of INDEX CALCULATION DAY  $t$

$IC_t$ : means the INDEX COMPONENT LEVEL of the INDEX COMPONENT  $IC$  in respect of INDEX CALCULATION DAY immediately preceding INDEX CALCULATION DAY  $t$

$FX_t^{EUR}$ : CHF/EUR FX Rate (quoted as the number of CHF per 1 unit of EUR – see Table 3: FX Rate) in respect of INDEX CALCULATION DAY  $t$

#### 4.1.2. Cash Performance

In relation to INDEX CALCULATION DAY  $t$ , the CASH PERFORMANCE  $CashPerf_t$  is calculated in accordance with the following formula:

$$CashPerf_t = Index_{t-1} \times \left( \frac{CC_t}{CC_{t-1}} - 1 \right)$$

With:

$Index_{t-1}$  : means the INDEX LEVEL in respect of the INDEX CALCULATION DAY immediately preceding INDEX CALCULATION DAY t

$CC_t$ : means the CASH COMPONENT VALUE in respect of the INDEX CALCULATION DAY t

$CC_{t-1}$ : means the CASH COMPONENT VALUE in respect of the INDEX CALCULATION DAY immediately preceding INDEX CALCULATION DAY t

### 4.1.3. Cash Component Value

The CASH COMPONENT VALUE denominated in the INDEX CURRENCY is calculated according to the following formula:

- In relation to the CASH START DATE  $CC_{c_0}$ :

$$CC_{c_0} = 1,000$$

- In relation to any following CASH CALCULATION DAY c:

$$CC_c = CC_{c-1} \times \left[ 1 + (\text{Cash Rate}_{c-1} + \text{Cash Spread}) \times \frac{DC_{c-1,c}}{\text{Cash Basis}} \right]$$

- In relation to any INDEX CALCULATION DAY t, the CASH COMPONENT VALUE is equal to:

- o The CASH COMPONENT VALUE in respect of INDEX CALCULATION DAY t, if INDEX CALCULATION DAY t is a CASH CALCULATION DAY c, or
- o The CASH COMPONENT VALUE in respect of INDEX CALCULATION DAY t is otherwise calculated according to the following formula:

$$CC_t = CC_{t,c} \times \left[ 1 + (\text{Cash Rate}_{t,c} + \text{Cash Spread}) \times \frac{DC_{t,c,c}}{\text{Cash Basis}} \right]$$

With:

$CC_{c-1}$ : The CASH COMPONENT VALUE denominated in the Index Currency on the CASH CALCULATION DAY immediately preceding CASH CALCULATION DAY c

$\text{Cash Rate}_{c-1}$ : The CASH RATE on the CASH CALCULATION DAY immediately preceding CASH CALCULATION DAY c (or if such rate is not available, the immediately preceding rate)

$\text{Cash Spread}$ : The CASH SPREAD as specified in Table 5: Index Cash Component Parameters

$\text{Cash Spread}$ : The CASH BASIS as specified in Table 5: Index Cash Component Parameters

$DC_{c-1,c}$ : means the number of CALENDAR DAYS in the period commencing on (and including) the CASH CALCULATION DAY immediately preceding the CASH CALCULATION DAY c and ending on (but excluding) CASH CALCULATION DAY c

$CC_{t,c}$ : The CASH COMPONENT VALUE denominated in the Index Currency on CASH CALCULATION DAY

$\text{Cash Rate}_{t,c}$ : The CASH RATE on the CASH CALCULATION DAY immediately preceding INDEX CALCULATION DAY t (or if such rate is not available, the immediately preceding rate)

$DC_{t,c,c}$ : means the number of CALENDAR DAYS in the period commencing on (and including) the CASH CALCULATION DAY immediately preceding the INDEX CALCULATION DAY  $t$  and ending on (but excluding) INDEX CALCULATION DAY  $t$

## 4.2. ACCURACY

The level of the INDEX will be rounded to 2 decimal places.

## 4.3. RECALCULATION

The INDEX ADMINISTRATOR makes the greatest possible efforts to accurately calculate and maintain the INDEX. However, errors in the determination process may occur from time to time for a variety of reasons (internal or external) and therefore cannot be completely ruled out in respect of any INDEX. The INDEX ADMINISTRATOR 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 generally depend 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/>.

## 4.4. MARKET DISRUPTION

In periods of market stress the INDEX ADMINISTRATOR shall calculate the INDEX 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 INDEX 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 INDEX 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 by the INDEX ADMINISTRATOR.

### 5.2. METHODOLOGY REVIEW

The methodology of the INDEX is subject to regular review, at least annually. If 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 or 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 "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 from the **INDEX TRANSFER DATE**. 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

The INDEX ADMINISTRATOR makes the greatest possible efforts to ensure the resilience and continued integrity of its indices over time. Where necessary, the INDEX ADMINISTRATOR shall follow a clearly defined and transparent procedure to adapt INDEX methodologies to account for 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.

The INDEX ADMINISTRATOR 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. INDEX COMMITTEE

An index committee composed of staff from the INDEX ADMINISTRATOR and its subsidiaries (the "**INDEX 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 INDEX 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”.

“**CASH BASIS**” shall have the meaning as specified in Table 5: Index Cash Component Parameters

“**CASH CALCULATION DAY**” is any day on which the relevant CASH RATE is published on Reuters

“**CASH COMPONENT VALUE**” shall have the meaning defined in Section 4.1.3

“**CASH PERFORMANCE**” shall have the meaning defined in Section 4.1.2

“**CASH RATE**” shall have the meaning as specified in Table 5: Index Cash Component Parameters

“**CASH SPREAD**” shall have the meaning as specified in Table 5: Index Cash Component Parameters

“**CASH START DATE**” is the INDEX START DATE if the INDEX START DATE is a CASH CALCULATION DAY, otherwise the CASH CALCULATION DAY immediately preceding the INDEX START DATE

“**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”.

“**INDEX CALCULATION DAY**” is any day i) on which a value is published for the INDEX COMPONENT ii) which is a WMR BUSINESS DAY

“**INDEX COMMITTEE**” shall have the meaning as defined in Section 5.5.

“**INDEX COMPONENT**” shall mean the Excess Return version of the UBS EU Equity Enhanced Call Writing TR Index (.CSEAECET)

“**INDEX COMPONENT LEVEL**” in relation to an INDEX CALCULATION DAY t means the official close of the INDEX COMPONENT on that day

“**INDEX CURRENCY**” is the currency specified in the column “Currency” in Table 2: Index Identifiers.

“**INDEX PERFORMANCE**” shall have the meaning defined in Section 4.1.1

“**INDEX LEVEL**” shall have the meaning as defined in Section 4.1

“**INDEX OWNER**” shall have the meaning as defined in Section “Introduction”.

“**INDEX START DATE**” is January 6<sup>th</sup> 2004

“**INDEX TRANSFER DATE**” is TBD and shall mean the INDEX CALCULATION DAY t from which **SOLACTIVE** assumes the role of **INDEX ADMINISTRATOR**

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

“**SCHEDULED REBALANCING DAY**” shall mean any Index Calculation Day which is (i) the INDEX START DATE or (ii) the last INDEX CALCULATION DAY of each calendar month

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**“WMR BUSINESS DAY”** shall mean any day on which WMR fixings are published at or around London time by the WM Company / Reuters Currency Services

## 7. VERSIONING

VERSION	DATE	DESCRIPTION
1.0	May 23rd, 2024	Initial Guideline creation ( <i>initial version</i> )

*Table 4: Versioning*



## APPENDIX

INDEX RIC	CASH RATE	CASH BASIS	CASH SPREAD
.CSEAECCCT	Swiss Average Rate O/N (Bloomberg Ticker: SSARON Index)	360	0.00%

Table 5: Index Cash Component Parameters

INDEX RIC	INDEX TRANSFER DATE	INDEX LEVEL AS OF 22 <sup>ND</sup> MAY 2024	CASH COMPONENT AS OF 22 <sup>ND</sup> MAY 2024	NUMBER OF UNITS OF INDEX COMPONENT AS OF 22 <sup>ND</sup> MAY 2024
.CSEAECCCT	May 23 <sup>rd</sup> 2024	3874.33781768897	1025.77452307589	1.12586775368812

Table 6: Index Initialization

# CONTACT

**Solactive AG**  
**German Index Engineering**  
Platz der Einheit 1  
60327 Frankfurt am Main  
Germany

Tel.: +49 (0) 69 719 160 00

Fax: +49 (0) 69 719 160 25

Email: [info@solactive.com](mailto:info@solactive.com)

Website: [www.solactive.com](http://www.solactive.com)

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