

# The NYSE Arca Junior Gold BUGS Index (JHUI)

## Index Description

The NYSE Arca Junior Gold BUGS Index (JHUI) is a modified equal dollar weighted index of small-cap companies involved in gold mining. The JHUI Index was designed to provide exposure to near term movements in gold prices by including globally listed, small-cap gold mining companies that do not hedge their gold production beyond 1.5 years. The JHUI Index was developed with a base value of 500.00 as of June 19, 2009. Adjustments are made quarterly after the close of trading on the third Friday of March, June, September, & December so that each component stock represents its assigned weight in the index. Similar to other index values published by NYSE Arca, the value of the Index is published every 15 seconds through the Consolidated Tape Association's Network B under the ticker symbol "JHUI".

## Index Calculation

The Index is calculated using a modified equal-dollar weighting methodology. Three of largest component securities by market value are assigned higher percentage weights in the Index at the time of the quarterly rebalancing and the remaining index components are given an equal percentage weight. The index has a scheduled quarterly rebalance after the close of trading on the third Friday of March, June, September, and December, so that each component stock is represented at approximately its assigned weight in the index.

NYSE Arca has, and may at any time, change the number or assigned weighting of stocks comprising the Index by adding or deleting one or more stocks, or replace one or more stocks included in the Index with one or more substitute stocks of its choice, if in NYSE Arca's discretion such addition, deletion or substitution is necessary or appropriate to maintain the quality and/or character of the index. However, in order to reduce turnover in the JHUI Index, NYSE Arca generally attempts to combine additions and deletions to the Index with a scheduled rebalancing. Historically, most discretionary component changes have been made in connection with the June review.

## Index Level

The official closing level of the index is calculated each day using the official closing price from the primary listing exchange of each index constituent. If no official closing price is available due to the following reasons, the respective course of action will be taken:

1. Trading of index component is suspended before market close and remains suspended through market close – The index will use the last traded price of the current day from the primary listing exchange in calculating the current day's official closing level.
2. Trading of index component is not opened for current day – The index will use the previous day's official closing price or last traded price; until a particular stock opens, its adjusted closing price from the previous day is used in the index computation.
3. Exchange or market-wide event resulting in normal closing auction not going off or official closing prices not being available – The index will take guidance from the respective exchange(s) and address on an event-by-event basis. Exchange or market-wide events include, but are not limited to:
  - Volatility Halts
    - LULD
    - Circuit breaker
  - Technological problems/failures
  - Natural disaster or other BCP related event

## Index Eligibility & Maintenance

The JHUI Index is calculated and maintained by NYSE Arca. NYSE Arca may change the composition of the Index at any time to reflect the conditions of the gold mining industry and to ensure that the component securities continue to represent gold mining companies.

The Index is selected from the universe of global listed gold mining companies with a USD market capitalization between 1.5 and 0.25 billion and a six month average daily traded value of at least USD 1.5 million. Component's that have multiple listing will use their primary market of reference for price and volume information.

The Index is maintained in accordance with Arca Rule 5.13(c). Those standards require that, among other things, the securities meet the following requirements in order to be eligible for inclusion in the Index:

- Each component security must be an "NMS stock" as defined in Rule 600 of Regulation NMS of the Securities Exchange Act of 1934;
- Each component security must have a market capitalization of at least \$75 million, except that for each of the lowest weighted component securities in the Index that in the aggregate account for no more than 10% of the weight of the Index, the market capitalization must be at least \$50 million;
- Trading volume of each component security must be at least 500,000 shares for each of the last six months, except that for each of the lowest weighted component securities in the Index that in the aggregate account for no more than 10% of the weight of the Index, trading volume must be at least 400,000 shares for each of the last six months;

- Component securities that account for at least 90% of the weight of the Index, and at least 80% of the total number of component securities in the Index satisfy the requirements of Arca Rule 5.3 applicable to individual underlying securities; and
- Non-U.S. component securities (stocks or American Depositary Receipts) that are not subject to comprehensive surveillance agreements do not in the aggregate represent more than 20% of the weight of the Index.

Every quarter after the close of trading on the third Friday of March, June, September and December, the Index portfolio is adjusted by changing the number of shares of each component stock so that each one again represents an assigned weight in the Index. The newly adjusted portfolio becomes the basis for the Index's value effective on the first trading day following the quarterly adjustments. If necessary, a divisor adjustment is made to ensure continuity of the Index's value.

Changes to the Index will be announced, whenever possible, at least two full trading days prior to effectiveness.

The number of shares of each component stock in the Index portfolio remain fixed between quarterly reviews, except in the event of certain types of corporate actions such as the payment of a dividend, other than an ordinary cash dividend, stock distribution, stock split, reverse stock split, rights offering, or a distribution, reorganization, recapitalization, or some such similar event with respect to a component stock. When the Index is adjusted between quarterly reviews for such events, the number of shares of the relevant security will be adjusted, to

the nearest whole share, to maintain the component's relative weight in the Index at the level immediately prior to the corporate action. The Index may also be adjusted in the event of a merger, consolidation, dissolution, or liquidation of an issuer of a component stock. In the event of a stock replacement, the average dollar value of the remaining components that are assigned the lower index weight will be calculated and that amount invested in the new component stock to the nearest whole share. In choosing among stocks that meet the hedging requirements and minimum criteria set forth in Arca Rule 5.13, NYSE Arca represents that it will make every effort to add new stocks that are representative of the gold mining industry and will take into account, among other factors, a stock's capitalization, liquidity, volatility, and name recognition. In connection with any adjustments to the Index, the Index divisor is adjusted to ensure that there are no changes to the Index level as a result of non-market forces.

## Further info

To find out more, please email:  
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### Disclaimer

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