Rules for the NYSE Arca Leverage and Short Indices

Index

1.0 / Index Summary

Mnemo	Full name	Underlying index	Factor	Rule for exceptional trading circumstances	ISIN	Base level and date
NYSE Arca®						
HUISH	NYSE ARCA Gold BUGS Short Index	NYSE Arca Gold BUGS INDEX (HUI)	-1	Suspend if Underlying Index >125% of close of previous day	Overnight USD LIBOR Rate	1000 at Dec 19, 2008

2.0 / Governance and Disclaimer

INDICES

This rulebook applies to the leveraged, short, and bear indices, based on:

- NYSE Arca family of indices

Hereafter referred to as "index".

COMPILER

NYSE 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.

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.

RULE BOOK CHANGES

These rules may be supplemented, amended in whole or in part, revised or withdrawn at anytime. 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.

LIABILITY

NYSE Euronext and any partnership or joint venture of which NYSE Euronext is a part, or any subsidiary, parent, subsidiary of a parent (in each case, direct or indirect) or affiliated corporation of NYSE Euronext, including e.g. Euronext NV (hereinafter "NYSE 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 NYSE Euronext, the Compiler, nor the Supervisor of the index are 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. Furthermore, NYSE Euronext, the Compiler and the Supervisor of the index 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.

OWNERSHIP AND TRADEMARKS

NYSE Euronext owns all intellectual and other property rights to the index, including the name, the composition and the calculation of the index. NYSE Arca and Gold BUGS are registered trademark(s) of NYSE Euronext or its subsidiaries.

3.0 / Publication

3.1 / The Dissemination of Index Values.

OPENING

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

CALCULATION AND DISSEMINATION

The index is calculated based on the most recent prices of transactions concluded during operating hours of the NYSE market. The level of the index is in principle published every 15 seconds. The index is calculated from 09:30a.m. until 4.30 p.m. on the days when the NYSE Market is open for trading.

CLOSING LEVEL

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

3.2 / Exceptional Market Conditions and Corrections

UNAVAILABILITY OF THE UNDERLYING INDEX LEVEL

In case the underlying index level of the index is not available during a time 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.

EXTREME MARKET MOVEMENTS

In case the underlying index level of the 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).

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

If an index is **reset**, the index will be adjusted intraday. During the adjustment, the current prices at time t*, the point in time when the condition(s) for reset are met, are considered. No additional refinancing costs are calculated.

The adjustment will be carried out by simulating a new day, by setting at time t*, the point in time when the condition(s) for reset are met:

$$UI_{STL} = UI_{t^*}$$

And

$$LI_{STL} = LI_{t^*} \quad \text{or} \quad BI_{STL} = BI_{t^*}$$

Calculation for the rest of the day will then be:

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

Or

$$BI_t = BI_{STL}\left[1 - K\left(\frac{UI_t}{UI_{STL}} - 1\right)\right]$$

Where:

LI_t = Leverage index level at time of calculation t

LI_{STL} = Leverage index level at the point of reset

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

BI_{STL} = Short or Bear index level at the point of reset

UI_t = Underlying index level (see Index summary) at time of calculation t

UI_{STL} = Underlying index level at the point of reset

K   = Leverage or Short factor

3.3 / Announcement Policy

ANNOUNCEMENT POLICY

Changes to the index, its components or its rules will be announced by an index announcement which will be distributed via e mail and/or the website of NYSE Euronext.

As a rule the announcement periods that are mentioned underneath will be applied. However, urgent treatments or late notices may require the Compiler to deviate from the standard timing.

RULE CHANGES

Barring exception, a period of at least two months should pass between the date a proposed change is published and the date this comes into effect. Exceptions can be made only if the change is not in conflict with the interests of an affected party.

4.0 / Calculation

4.1 / 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 ONIA). The latter exposure consists of the money invested in the index plus the multiple (K) short positions.

4.2 / Calculation of the Leverage Indices

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

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

Where:

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 previous calculation day

$ONIA_T$ = Overnight Interest Average on the previous calculation day

$D_{t,T}$ = the number of days between the day of the calculation and T the previous calculation day

SPRT = Applicable interest rate spread over $ONIA_T$

a = Applicable factor to apply spread over ONIA

K = Leverage factor

4.3 / Calculation of the Bear and Short Indices

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

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

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 calculation and the previous calculation day T

$ONIA_T$ =Overnight Interest Average at the previous calculation date

$REPO_T$ = the rate reflecting the repurchase agreement embedded in the strategy and specific to each underlying index

a = Applicable factor to apply REPO

K   = Short factor