

CONFIDENTIAL

SGI Absolute Strategies Index (USD – Net Total Return)

Index Rules

Dated August 30, 2017

Index Rules Summary

1.1 Index Description

The SGI Absolute Strategies Index (USD – Net Total Return) (the “**Index**”) aims to provide an exposure to the performance of a basket of mutual funds and/or Underlying SGI Indices with a volatility cap mechanism (as described below).

The Index is calculated and published by S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) (the “**Index Calculation Agent**”) and is sponsored by Société Générale (the “**Index Sponsor**”). Private Wealth, Ltd. (the “**Index Advisor**”), a company affiliated with Emcor Securities, Inc., has selected the components of the Underlying Basket on the Index Launch Date pursuant to the Index Component Requirements described below and in Section 3 of these Index Rules.

Main Characteristics

Bloomberg ticker:	IND1ABST <Index>
Type of Return:	Net Total Return
Calculation Frequency:	Weekly
Publication Time:	6:30 p.m. New York time
Index Launch Date	28 October 2014
Currency:	USD
Fees and Costs:	As specified under the “Index Fees and Costs” section below
Index Asset Class:	Equity
Index Components:	Equity Instrument, Underlying SGI Index, Market Data

1.2 Mechanism

1.2.1 Index Composition

The Index is composed of a hypothetical basket of funds and/or Underlying SGI Indices (each, a “**Basket Component**”, together the “**Underlying Basket**”) where the Basket Components are selected by the Index Advisor subject to complying with certain parameters.

The Underlying Basket aims to provide investors with hypothetical exposure to (1) a selected group of Funds following a **Long Short (“L/S”) Equity Strategy** (as defined below), (2) a selected group of Funds following a **Merger Arbitrage Strategy** (as defined below) and (3) a selection of one or more Underlying SGI Indices.

- A L/S Equity Strategy is a directional strategy employed by certain funds which primarily involves purchasing equities and equity derivatives that it expects to appreciate and selling those that it expects to depreciate. Net exposure to the market (which could be net long, net short or market neutral) will be actively managed depending on manager’s expectations.
- A Merger Arbitrage Strategy is a strategy employed by certain funds which primarily consists of investing in equities related to merger/acquisition transactions and aims to take advantage of the potential spread between the price bid for the acquisition and the price observed in the market.

There is no assurance that any of the above-described strategies will achieve any of their stated objectives.

In order to keep the risks associated with the Index under a certain limit, the Index also includes a volatility control mechanism, where the exposure of the Index to such Underlying Basket varies on a weekly basis in accordance with input parameters described under 1.2.5 below.

1.2.2 Index Universe

The investment universe (the “**Index Universe**”) of the Underlying Basket is comprised of Funds and/or Underlying SGI Indices that comply with each of the following “**Fund Requirements**” and/or “**Index Requirements**,” respectively, as of the relevant Observation Date:

- (a) With respect to a Fund Adviser:
 - (i) Have a Fund Adviser with minimum total assets under management of USD 1 billion as of the relevant Observation Date and as of the last day of each calendar month thereafter.

- (b) With respect to a Fund:
 - (i) Be a Fund established in accordance with the Undertakings for Collective Investment in Transferable Securities (“**UCITS**”);
 - (ii) Have at least a scheduled weekly valuation and scheduled weekly liquidity as of each day that such Fund is included as a Basket Component;
 - (iii) Follow a L/S Equity Strategy or a Merger Arbitrage Strategy;
 - (iv) Have been selected by the Index Advisor;
 - (v) Be denominated in USD as of each day that such Fund is included as a Basket Component;
 - (vi) Have not less than \$100 million assets under management during the 6 months preceding the Observation Date;
 - (vii) Be listed, registered or regulated by a financial authority of a country, other than the United States, that is a member of the Committee on the Global Financial System of the Bank for International Settlements and/or of the European Union and/or the Organization for Economic Cooperation and Development (“**OECD**”) (provided that the relevant OECD member country has a free trade agreement in place with Mexico) as of the relevant Observation Date and on each day that such Fund is included as a Basket Component;
 - (viii) Be a Fund that is not affiliated with the Index Sponsor or Index Advisor;
 - (ix) Be a Fund that has publicly available offering documents that have been filed with the appropriate regulatory authority in that jurisdiction; and
 - (x) On the relevant Observation Date and on each day thereafter, be a Fund that the Index Sponsor determines (pursuant to its internal policies, as such policies may be modified from time to time) qualifies under the foreign fund exemption of the Volcker Rule.

- (c) With respect to an Underlying SGI Index:
 - (i) Have been selected by the Index Advisor;
 - (ii) Be denominated in USD;
 - (iii) Be available for investment to multiple, unaffiliated investors for a period of not less than 6 months prior to inclusion in the Underlying Basket; and
 - (iv) Be an index the underlyings of which do not include any mutual fund, UCITS fund, investment companies or other pooled investment vehicles that issue shares, fund units or other similar securities.

The Underlying Basket is subject to the following “**Additional Requirements**”:

- (i) With respect to a Basket Component that is a Fund, have an exposure to other Basket Components that are Funds managed by the same fund trading advisor of less than or equal to 20%;
- (ii) Have at least 6 Basket Components; and
- (iii) At least half of the Underlying Basket must be Funds.

1.2.3 Investability

The Index aim is to be investable. If a Basket Component that is a Fund is affected by such a capacity constraint, it becomes a “**Capacity Constrained Basket Component**”. Therefore, in order for the Index to be available for efficient tracking and based on the capacity constraint, the Index Sponsor will determine, based on the actual capacity provided by the Fund Provider for each Capacity Constrained Basket Component, the maximum weight to be allocated to such Capacity Constrained Basket Component (each weight, a “**Maximum Weight**”).

The effective weights (the “**Effective Weights**”) of the Basket Components are adjusted on a prorated basis according to their respective Target Weight, such that

- (i) the sum of the Effective Weights (including the Effective Weight of the Capacity Constrained Basket Components) is less than or equal to 100%; and
- (ii) the Effective Weight does not exceed its Maximum Weight for any Capacity Constrained Basket Component.

In relation to each Calculation Date, the Effective Weights and actual allocation will generally differ from the related Target Weights and Target Allocation. The Effective Weights of the actual allocation will be circulated by the Index Sponsor to the Index Calculation Agent.

1.2.4 Governance and Review of Target Weight

During the life of the Index, (i) should any Basket Component no longer comply with the Requirements (such non-complying Basket Component, a “**Breaching Basket Component**” and such event, a “**Requirement Breach Event**”), or (ii) should the Underlying Basket no longer comply with the Additional Requirements (such event an “**Additional Requirement Breach Event**”) or (iii) should, with respect to a Fund, a Fund Unit of a Basket Component earn a negative return over the prior one-year period (as disclosed by the Fund Adviser to holders of Fund Units) or, with respect to an Underlying SGI Index, such Underlying SGI Index provide a negative return over the prior one-year period (in each case, a “**Non-Performing Basket Component**” and such event, a “**Non-Performing Basket Component Event**”), a meeting of the Index Scientific Committee shall, or may in the case of a Non-Performing Basket Component, be called by the Index Sponsor or Index Advisor. The Index Advisor will cure a Requirement Breach Event, Additional Requirement Breach Event or Non-Performing Basket Component Event by:

- (i) In the case of a Requirement Breach Event, removing in full the Breaching Underlying Basket Component(s) and replacing it with one or more Funds and/or Underlying SGI Indices that satisfy the Requirements and Additional Requirements, or by reallocating among existing Basket Components the Basket Component Effective Weight on the relevant Review Date of the removed Breaching Underlying Basket Component(s);

- (ii) In the case of an Additional Requirement Breach Event, reducing the Basket Component Effective Weight to 17% of the Underlying Basket and allocating such percentage reduction among existing Basket Components or new Funds and/or Underlying SGI Indices that satisfy the Requirements and Additional Requirements; and
- (iii) In the case of a Non-Performing Basket Component Event, removing (in full or in part) the Non-Performing Basket Component(s) and replacing it with one or more Funds and/or Underlying SGI Indices that satisfy the Requirements and Additional Requirements, or by reallocating among existing Basket Components the Basket Component Effective Weight on the relevant Review Date of the removed Basket Component(s).

1.2.5 Weekly “Vol Target” Mechanism

The Index is constructed pursuant to a weekly Vol Target process where the deemed exposure of the Index to the Underlying Basket (the “**Exposure**”) is based on a formula using the following input parameters:

- (i) the short term historical volatility of the Underlying Basket (the “**Realized Volatility**”);
- (ii) a target volatility of 9%; and
- (iii) the historical volatility of the Index itself;

so that:

- when the Realized Volatility exceeds 9%, the Exposure will generally be less than 100% (subject to a minimum Exposure of 0%) and the Index will be exposed to money market instruments referencing the Libor Rate for the difference between 100% and the Exposure.
- when the Realized Volatility falls below 9%, the Exposure will generally be equal to 100%.

1.2.6 Monetization

Should an Index Disruption Event (as defined herein) exist for 3 consecutive Scheduled Calculation Dates (such event, a “**Monetization Event**”), the Index will no longer reflect the performance of the Underlying Basket, the volatility mechanism will be terminated and the Index will be deemed to be permanently monetized and shall accrue a daily interest at Libor Rate. Such Monetization Event shall be announced on SGI website: <https://www.sgindex.com/index.php?id=122&bbg=IND1ABST>.

1.2.7 Index Scientific Committee

In the event of a Requirement Breach Event, Additional Requirement Breach Event or Non-Performing Basket Component Event, the Index Scientific Committee shall, or may in the case of a Non-Performing Basket Component Event, be convened. The Index Scientific Committee will comprise three (3) members: two (2) of whom shall be representatives of the Index Sponsor (at least one of whom shall be a managing director) (the “**Index Sponsor Representatives**”) and one (1) of whom shall be a representative of the Index Advisor (the “**Index Advisor Representative**”). The Index Scientific Committee secretary shall always be an Index Sponsor Representative.

Additional information concerning the operation of the Index Scientific Committee is provided in Section 7 of these Index Rules.

1.3 Index Fees and Costs

The Index is calculated net of the following fees and costs:

Basket Component Transaction means, in respect of any Basket Component (k), the theoretical

Costs: fixed costs that would be charged in relation to the deemed purchase or liquidation of such Index Component (k), pursuant to changes in hypothetical allocations and balancing of the Index and which cost shall be reflected in the Index Level as at the time of such reallocation and rebalancing. In respect of a Basket Component (k), the cost provided in the relevant Appendix. The Basket Component Transaction Cost for any Basket Component that is a Fund will equal zero.

Basket Component Replication Costs: means, in respect of a Calculation Date (t) and a Basket Component (k), the theoretical running costs that would be incurred by a Hypothetical Replicating Party in connection with replicating the performance of the Underlying Basket or financing the holding of such Basket Component (k). The Replication Costs are calculated daily and accrued on a daily basis on the level or price of the Basket Components. In respect of a Basket Component (k), the cost provided in the relevant

1.4 Information available on the SGI website

The Index Level (as well as performance and volatility of the Index derived thereof), further Index data and important disclaimers relating to the Index are available on the SGI website at the following address: <https://www.sgindex.com/index.php?id=122&bbg=IND1ABST>.

IMPORTANT:

The Index seeks to track hypothetical long positions in the Basket Components, which themselves follow long/short or merger arbitrage strategies or, with respect to Underlying SGI Indices only, other strategies; however, the Index does not actually invest in or hold any Basket Component or any other securities or instruments underlying any Basket Components. An investor in any product linked to the performance of the Index (if any) will have no rights whatsoever to any Basket Component or any other securities or instruments underlying any Basket Components. The Index is a statistical measure of the performance of a systematic model that aims to provide an exposure to the performance of a basket of funds established in accordance with the Undertakings for Collective Investment in Transferable Securities and Underlying SGI Indices with a volatility cap mechanism; it is not an investment fund, pool or any other investment vehicle.

The strategy tracked by the Index is not guaranteed to be successful.

2 Index Rules:

2.1 Terms and definitions relating to Dates:

ACT(t-1,t)	means the number of calendar days between Calculation Date (t-1) (included) and Calculation Date (t) (excluded).
Calculation Date	means any Scheduled Calculation Date on which no Index Disruption Event exists.
N(t-1,t)	means the number of Calculation Dates between the Calculation Date (t-1) included and the Calculation Date (t) (excluded).
Rebalancing Date, “tr”	means <ul style="list-style-type: none"> (i) The Index Base Date t_B, or (ii) the Index Launch Date t_0, or (iii) following any Review Date, the Calculation Date following such Review Date that the Index Scientific Committee resolves (as published in the Minutes for such Index Scientific Committee meeting) as the appropriate Calculation Date to rebalance the Underlying Basket.
Review Date	means any day on which the Underlying Basket allocation is reviewed following a Requirement Breach Event, an Additional Requirement Breach Event or a Non-Performing Basket Component Event, each as determined by the Index Scientific Committee.
Scheduled Calculation Date	means any day on which all the Closing Prices of each Basket Component are scheduled to be published.
Valuation Time	means 6:30 p.m. (New York time).

2.2 Terms and definitions relating to the Index:

Additional Requirement Breach Event	means any event that would trigger a review of the Target Allocation due to a breach of the Additional Requirements.
Cash Component, “CC(t)”	means, in respect of a Calculation Date (t), the amount invested at a rate based on the Libor Rate determined pursuant to the Index Rules set out in Section 2.10.
Index Advisor	Private Wealth, Ltd.
Index Base Date, “t_B”	21 July 2009
Index Calculation Agent	S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC)
Index Component	means any Basket Component and Market Data

Index Currency	US Dollar (“USD”)
Index Launch Date “t₀”	28 October 2014
Index Level, “IL(t)”	means in respect of any Calculation Date (t), the level of the Index calculated and published by the Index Calculation Agent on such date at the Valuation Time, pursuant to the Index Rules set out in Section 2.6.
Index Scientific Committee	means the scientific committee comprising two (2) members of the Index Sponsor and one (1) member of the Index Advisor, as more fully described in Section 7 of these Index Rules.
Index Sponsor	Société Générale (“SG”).
Monetization Event	If an Index Disruption Event exists for 3 consecutive Scheduled Valuation Days, the Index is deemed to be permanently monetized and shall accrue at the 3M Libor Rate. Such event is deemed to be a Monetization Event.
Non-Performing Basket Component Event	means any event that may trigger a review of the Index allocation due to the existence of a Non-Performing Basket Component.
Requirement Breach Event	means any event that would trigger a review of the Index allocation due to a breach of the Requirements.
Underlying Basket	means the synthetic basket denominated in USD comprising the Basket Components set forth on Appendix 1.
Volcker Rule	means the amendments to the Bank Holding Company Act of 1956 made by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with such Act.

2.3 Terms and definitions relating to the Vol Target Mechanism:

Exposure, “E(t)”	means in respect of any Calculation Date (t), the hypothetical exposure of the Index to the Underlying Basket determined in accordance with the formula set out in Section 2.11.
Historical Volatility, “HV(t)”	means, in respect of a Calculation Date (t), the annualized historical volatility of the Underlying Basket computed over an 8-week period and used for the purpose of determining the Exposure as of such date. It is determined by the Index Calculation Agent in accordance with the formula specified in Section 2.9 below.
Target Volatility, “TV”	9%.

2.4 Terms and definitions relating to the Basket Components:

Basket Component Cash Weight, $W_{\text{cash}, k(t)}$	means, in respect of Calculation Date (t) and Basket Component (k), (i) with respect to a Basket Component that is a Fund, the cash weight as computed in accordance with the formula in Section 2.7.
Basket Component	Any component of the Underlying Basket as provided in Appendix 1.
Basket Component Currency	means in respect of a Basket Component, its default currency as provided in Appendix 1.
Basket Component Effective Weight, “$EW_k(t)$”	means, in respect of Calculation Date (t) and Basket Component (k), the weight (expressed as a percentage) of such Basket Component in the Underlying Basket that is used to determine the Basket Component Quantity $Q_k(t)$. The Effective Weight is computed in accordance with the formula set out in Section 2.8.
Basket Component Quantity, $Q_k(t)$	means, in respect of Calculation Date (t) and Basket Component (k), (i) with respect to a Basket Component that is a Fund, the number of Fund Units of such Basket Component on such date and (ii) with respect to a Basket Component that is an Underlying SGI Index, the number of Index Units of such Basket Component on such date.
Basket Component Replication Cost, “RC_k”	means, in respect of a Calculation Date (t) and a Basket Component (k), the theoretical running costs that would be incurred by a Hypothetical Replicating Party in connection with replicating the performance of the Underlying Basket or financing the holding of such Basket Component (k). The Replication Costs are calculated daily and accrued on a daily basis on the level or price of the Basket Components. In respect of a Basket Component (k), the cost provided in the relevant Appendix. The Basket Component Replication Cost for any Basket Component that is a Fund will equal zero.
Basket Component Return Type	means, in respect of a Basket Component, its return type as provided in Appendix 1.
Basket Component Target Weight, “$TW_k(t)$”	means, in respect of Calculation Date (t) and Basket Component (k), the target weight (expressed as a percentage) of such Basket Component in the Underlying Basket determined by the Index Scientific Committee on the relevant Review Date preceding such Calculation Date. The initial Target Weights are defined in Appendix 1.
Basket Component Total Return Level, “$BTL_k(t)$”	means, in respect of Calculation Date (t) and Basket Component (k), the level of the total return version of such Basket Component as of such Calculation Date, determined in accordance with the formula specified in Section 2.12 below.

Basket Component Transaction Cost, “TC_k”	means, in respect of any Index Component (k), the theoretical fixed costs that would be charged in relation to the deemed purchase or liquidation of such Index Component (k), pursuant to changes in hypothetical allocations and balancing of the Index and which cost shall be reflected in the Index Level as at the time of such reallocation and rebalancing. In respect of a Basket Component (k), the cost provided in the relevant Appendix. The Basket Component Transaction Cost for any Basket Component that is a Fund will equal zero.
Basket Component Type	means, in respect of a Basket Component, its type as provided in Appendix.
Breaching Basket Component	means a Fund and/or Underlying SGI Index that no longer complies with the Requirements as determined by the Index Sponsor.
Closing Price, “CP(t)”	means in respect of a Scheduled Calculation Date and <ol style="list-style-type: none">(i) an Equity Instrument, the Net Asset Value dated in respect of such Scheduled Calculation Date as determined by the Index Calculation Agent; or(ii) An Underlying SGI Index, the Underlying SGI Index Closing Level as of such Scheduled Calculation Date.
Equity Instrument	means a Fund Unit or any other similar instrument specified in the Index Rules.
Exchange Business Day	means respect of a Basket Component, any Scheduled Trading Day on which each relevant Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.
Exchange(s)	means, in respect of a Basket Component, each exchange or quotation system (if applicable) on which such Basket Component trade, any successor exchange or quotation system or any substitute exchange or quotation system to which trading in such Basket Component has relocated.
Fund	means any Basket Component that is a fund, with a Basket Component Type specified as “Fund” in Appendix 1.
Fund Documents	means in respect of a Fund, the constitutive and governing documents, subscription agreements and other agreements specifying the terms and conditions relating to such Fund.

Fund Service Provider	means in respect of a Fund, any person who is appointed to provide services, directly or indirectly, for that Fund, whether or not specified in the Fund Documents, including any fund investment adviser, fund administrator, manager, any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary manager or another non-discretionary investment adviser) for such Fund (the “ Fund Adviser ”), trustee or similar person with the primary administrative responsibilities for such Fund, operator, management company, depository, custodian, sub-custodian, prime broker, registrar and transfer agent, domiciliary agent.
Fund Unit	means, in respect of a Fund, a share or unit of such Fund.
Fund Valuation Day	means, in respect of each Fund observed separately, any date as defined in the Fund Documents in respect of which the official Net Asset Value of such Fund is dated as of such date in accordance with its Fund Documents.
Hypothetical Party	Replicating means a hypothetical party taking positions in the Index Components for the purposes of replicating the performance of the Index, including Société Générale and any of its affiliates.
Index Unit	means, in respect of an Underlying SGI Index, one unit of such Underlying SGI Index.
Maximum Weight, “MW_{k(t)}”	means, in respect of Calculation Date (t) and Fund (k), <ul style="list-style-type: none"> a) 100%, or b) if such Fund is deemed to be an Affected Basket Component for such Calculation Date, the maximum weight to be allocated to such Fund in the Underlying Basket as determined by the Index Sponsor based on the actual capacity provided by the Fund Service Provider.
Net Asset Value, “NAV_{k(t)}”	means, in respect of a Fund and a Fund Valuation Day (t), the amount or amounts per unit of such Fund including (for subscription orders) or net (for redemption orders) of all applicable costs, taxes and fees (if any) that would be paid (for subscription orders) or received (for redemption orders) in cash in one or more times by a Hypothetical Replicating Party pursuant to a Valid Order for the subscription or redemption (as applicable) of units of the Fund scheduled to be executed on the official net asset value per unit determined by the Fund (or the fund service provider that generally determines such value) dated as of such Fund Valuation Day.
Number of Basket Components, “N(_{tr})”	means, in respect of Rebalancing Date (_{tr}) the number of Basket Components for such Rebalancing Date.
Observation Date	means, in respect of a Fund, the date on which the Investment Advisor proposes such Fund as a potential Basket Component.

Related Exchange(s)	means, in respect of a Basket Component, each exchange or quotation system where trading has a material effect on the overall market for futures and options contracts relating to such Basket Component, any successor exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Basket Component, has temporarily relocated.
Scheduled Closing Time	means in respect of an Exchange or Related Exchange, the scheduled weekday closing time of such Exchange or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours.
Scheduled Trading Day	means, in respect of a Basket Component, any day on which each Exchange and each Related Exchange for such Basket Component are scheduled to be open for trading for their respective regular trading sessions
Total Number of Basket Components over two consecutive days”, “TNb(t-1,t)”	means, in respect of Calculation Date (t), the number of different Basket Components comprising the Index on (t) and on (t-1).
Valid Order	means a valid and timely subscription or redemption order sent to the Fund or the fund service provider that generally accepts such order, in accordance with the subscription or redemption notice period and the relevant cut off time as set forth in the Fund Documents.
Underlying SGI Index	means any Basket Component that is a proprietary index sponsored, created and maintained by the Index Sponsor, with a Basket Component Type specified as “Index” in Appendix 1.
Underlying SGI Index Closing Level, “USC_k(t)”	means, in respect of Calculation Date (t) and a Basket Component (k) that is an Underlying SGI Index, the official closing level of such Underlying SGI Index on such Scheduled Calculation Date as calculated by the Underlying SGI Index Calculation Agent.
Underlying SGI Index Calculation Agent	means in respect of an Underlying SGI Index, the corporation or other entity that (i) is responsible for calculating the level of the Underlying SGI Index pursuant to the rules, procedures and methods of calculation set forth by Société Générale in its capacity as sponsor of the Underlying SGI Index and making any adjustments to the Underlying SGI Index and (ii) publishes (directly or through an agent) the level of the Underlying SGI Index on a regular basis in respect of each Scheduled Calculation Date (as specified in the index rules governing such Underlying SGI Index), if these duties are not carried out by Société Générale in its capacity as sponsor of the Underlying SGI Index.

U.S. Persons means as such term is defined in Regulation S under the Securities Act of 1933.

2.5 Terms and definitions relating to the Market Data

LIBOR Rate, “LR(t)” means in respect of Calculation Date (t), the LIBOR 1-Week rate displayed on BBG page US0001W <Index> dated as of such date or the latest rate available if no LIBOR 1-week rate is to be dated as of such date.

Market Data means a rate (including an interest rate, a foreign exchange rate or a swap rate), a spread, or any other data or similar instrument specified in the Index Rules.

2.6 Determination of the Index Level “IL(t)”:

The Index Level is in respect of Calculation Date (t), calculated by the Index Calculation Agent at the Valuation Time, subject to the occurrence or existence of an Index Disruption Event or an Index Extraordinary Event, according to the following formula:

For any $t > t_B$:

- (i) if no Monetization Event has occurred prior to Calculation Date (t) (subject to the occurrence or existence of an Index Disruption Event):

$$IL(t) = \text{Sum}(k=1 \text{ to } N(t_R(t-1))) [Q_k(t-1) \times BTL_k(t)] + CC(t-1) \times ((1 + LR(t-1) \times ACT(t-1 ; t) / 360) + (\text{Sum}(k=1 \text{ to } N(t_R(t-1))) [W_{cash, k}(t-1)] \times LR(t-1) \times ACT(t-1 ; t) / 360) \times IL(t-1)$$

- (ii) if a Monetization Event has been declared (subject to the occurrence or existence of a Libor Disruption Event):

$$IL(t) = IL(t-1) \times [1 + LR(t-1) \times ACT(t-1 ; t) / 360]$$

with,

$$IL(t_B) = 1000 \text{ (as of the Index Base Date).}$$

2.7 Determination of the Basket Component Quantity “Q_k(t)”:

The Basket Component Quantity is, in respect of any Calculation Date (t), determined pursuant to the below formula:

- (i) For Calculation Date (t) = Index Base Date:

$$Q_k(t_B) = EW_k(t_B) \times E(t_B) \times 1000 / BTL_k(t_B-1)$$

- (ii) For Calculation Date (t) = Index Launch Date:

$$Q_k(t_0) = EW_k(t_0) \times E(t_0) \times IL(t-1) / BTL_k(t_0-1)$$

- (iii) For any Calculation Date (t) > Index Base Date:

- a. If the Basket Component is on a Basket Component Extraordinary Event:

$$Q_k(t) = Q(t_R)$$

$$W_{cash, k}(t) = (EW_k(t) - Q_k(t-1) \times BTL_k(t) / IL(t)) \times E(t)$$

- b. Otherwise:

$$Q_k(t) = EW_k(t) \times E(t) \times IL(t-1) / BTL_k(t-1)$$

2.8 Determination of the Basket Component Effective Weight “EW_k(t)”:

The Effective Weight is, in respect of any Calculation Date (t), determined according the below formula:

$$EW_k(t) = \text{Min}(\text{AdjFactor}(t) \times TW_k(t_R(t)); MW_k(t))$$

With :

$t_R < t$
and,
AdjFactor(t) is the value such that:

$$\text{Sum}(k=1 \text{ to } N(t_R(t))) \text{EW}_k(t) = 100\%.$$

2.9 Determination of the Historical Volatility “HV(t)”:

The Historical Volatility is, in respect of any Calculation Date (t), determined by the Index Calculation Agent in accordance with the following formula:

$$\text{HV}(t) = \sqrt{\frac{1}{8} \times \sum_{k=0}^7 \left(\frac{365}{\text{ACT}(t-k-2, t-k-1)} \times \ln \left(1 + \sum_{i=1}^{N(t_R(t))} \left(\text{EW}_i(t) \times \left(\frac{\text{NAV}_i(t-k-1)}{\text{NAV}_i(t-k-2)} - 1 \right) \right) \right)^2 \right)}$$

Where,

“ln” means the logarithm to the base e.

2.10 Determination of the Cash Component “CC(t)”:

The Cash Component is, in respect of any Calculation Date (t), determined as follows:

$$\text{CC}(t) = \text{IL}(t) - \text{Sum}(k=1 \text{ to } N(t_R(t))) [\text{Q}_k(t) \times \text{BTL}_k(t)] + \text{Sum}(k=1 \text{ to } N(t_R(t))) [\text{Q}_k(t) \times \text{DIV}_k(t)] - \text{Sum}(k=1 \text{ to } \text{TNb}(t-1, t)) [\text{Abs}(\text{Q}_k(t) - \text{Q}_k(t-1)) \times \text{BTL}_k(t) \times \text{TC}_k(t)]$$

Where,

“DIV_k(t)” means (i) in case of a Basket Component that is an Underlying SGI Index, 0 (zero), or (ii) in case of a Basket Component that is a Fund, the aggregate net cash dividend after the deduction of withholding tax if any, (including special cash dividend or any other cash distribution) attached to the Basket Component (i) or its components and for which Calculation Date (t) is the ex-dividend date; such dividend is reinvested on the basis of the Basket Component Level on Calculation Date (t-1).

If an ex-dividend date occurs on a date that is not a Calculation Date, such ex-dividend date is deemed to occur on the first Calculation Date immediately following such date.

The withholding tax (if any) to be applied will be the withholding tax in effect from time to time that would be applicable to a hypothetical investor domiciled in the Grand Duchy of Luxembourg.

2.11 Determination of the Exposure “E(t)”:

If $t < 29$ September 2009 then $E(t) = 100\%$

Otherwise, the Exposure, in respect of any Calculation Date (t), is determined as follows:

- (i) if $\text{HV}(t-1) \leq \text{HV}(t)$ then:

$E(t)$ is equal to $\text{Min}[E(t-1); \text{Expo}(i)]$

With,

$\text{Expo}(i)$ and i such that $\text{Lower_Bound_Down}(i) < \text{HV}(t) \leq \text{Upper_Bound_Down}(i)$

- (ii) if $\text{HV}(t-1) > \text{HV}(t)$ then:

E(t) is equal to $\text{Max}[E(t-1); \text{Expo}(i)]$

With,

Expo(i) and i such that $\text{Lower_Bound_Up}(i) < \text{HV}(t) \leq \text{Upper_Bound_Up}(i)$

HV(t) means in respect of Calculation Date (t), the Historical Volatility on such date; and

Lower_Bound_Up(i), Upper_Bound_Up(i), Lower_Bound_Down(i), Upper_Bound_Down(i) and Expo(i) are defined pursuant to the below table:

(i)	Lower_Bound_Down(i)	Upper_Bound_Down(i)	Lower_Bound_Up(i)	Upper_Bound_Up(i)	Expo (i)
1	0%	9%	0.0%	8.5%	100.00%
2	9%	12%	8.5%	11.5%	75.00%
3	12%	14%	11.5%	13.5%	64.00%
4	14%	16%	13.5%	15.5%	56.00%
5	16%	18%	15.5%	17.5%	50.00%
6	18%	20%	17.5%	19.5%	45.00%
7	20%	22%	19.5%	21.5%	41.00%
8	22%	27%	21.5%	26.5%	33.00%
9	27%	32%	26.5%	31.5%	28.00%
10	32%	37%	31.5%	36.5%	24.00%
11	37%	42%	36.5%	41.5%	21.00%
12	42%	47%	41.5%	46.5%	19.00%
13	47%		46.5%		0.00%

2.12 Determination of the Basket Component Total Return Level “BTL_k(t)”:

The Basket Component Total Return Level Component is, in respect of any Calculation Date (t), determined as follows:

2.12.1 In respect of any Basket Component that is a Fund:

- (i) If the Weekday Valuation Day for such Fund is “Daily”:
 $\text{BTL}_k(t) = \text{NAV}_k(t)$

Where,
 $\text{BTL}_k(t_0) = \text{NAV}_k(t_0)$

- (ii) Otherwise:
 $\text{BTL}_k(t) = \text{NAV}_k(t_{\text{WD}}(t))$

Where,
 $t_{\text{WD}}(t)$ being the first Weekday Valuation Day preceding such Calculation Date (t) included ($t \geq t_{\text{WD}}(t)$)
and,
 $\text{BTL}_k(t_0) = \text{NAV}_k(t_{\text{WD}}(t_0))$

2.12.2 In respect of any Basket Component that is an Underlying SGI Index:

(iii) If the Basket Component Return Type is “TR” or “NTR”:

$$BTL_k(t) = BTL_k(t-1) \times (USC_k(t) / USC_k(t-1) - RC_k \times ACT(t-1,t) / 360)$$

(iv) If the Basket Component Return Type is “ER”:

$$BTL_k(t) = BTL_k(t-1) \times (USC_k(t) / USC_k(t-1) + (LR(t-1) - RC_k) \times ACT(t-1,t) / 360)$$

Where,

$$BTL_k(t_0) = USC_k(t_0)$$

3 Review of the Basket Components Weights

3.1 Defining the Investment Universe

The investment universe (the “**Index Universe**”) of the Underlying Basket is comprised of Funds that comply with each of the following requirements (the “**Requirements**”) as of the relevant Observation Date:

- (a) With respect to a Fund Adviser:
 - (i) Have a Fund Adviser with minimum total assets under management of USD 1 billion as of the relevant Observation Date and as of the last day of each calendar month thereafter.
- (b) With respect to a Fund:
 - (i) Be a Fund established in accordance with the Undertakings for Collective Investment in Transferable Securities (“**UCITS**”);
 - (ii) Have at least a scheduled weekly valuation and scheduled weekly liquidity as of each day that such Fund is included as a Basket Component;
 - (iii) Follow a L/S Equity Strategy or a Merger Arbitrage Strategy;
 - (iv) Have been selected by the Index Advisor;
 - (v) Be denominated in USD as of each day that such Fund is included as a Basket Component;
 - (vi) Have not less than \$100 million assets under management during the 6 months preceding the Observation Date;
 - (vii) Be listed, registered or regulated by a financial authority of a country, other than the United States, that is a member of the Committee on the Global Financial System of the Bank for International Settlements and/or of the European Union and/or the Organization for Economic Cooperation and Development (“**OECD**”) (provided that the relevant OECD member country has a free trade agreement in place with Mexico) as of the relevant Observation Date and on each day that such Fund is included as a Basket Component;
 - (viii) Be a Fund that is not affiliated with the Index Sponsor or Index Advisor;
 - (ix) Be a Fund that has publicly available offering documents that have been filed with the appropriate regulatory authority in that jurisdiction; and
 - (x) On the relevant Observation Date and on each day thereafter, be a Fund that the Index Sponsor determines (pursuant to its internal policies, as such policies may be modified from time to time) qualifies under the foreign fund exemption of the Volcker Rule.
- (c) With respect to an Underlying SGI Index:
 - (i) Have been selected by the Index Advisor;
 - (ii) Be denominated in USD;
 - (iii) Be available for investment to multiple, unaffiliated investors for a period of not less than 6 months prior to inclusion in the Underlying Basket; and
 - (iv) Be an index the underlyings of which do not include any mutual fund, UCITS fund, investment companies or other pooled investment vehicles that issue shares, fund units or other similar securities.
- (d) The Underlying Basket is subject to the following “**Additional Requirements**”:

- (i) With respect to a Basket Component that is a Fund, have an exposure to other Basket Components that are Funds managed by the same fund trading advisor of less than or equal to 20%;
- (ii) Have at least 6 Basket Components; and
- (iii) At least half of the Underlying Basket must be Funds.

The Index Advisor has defined the initial Underlying Basket allocation (the “**Target Allocation**”) in accordance with the Requirements and the Additional Requirements. The Target Allocation and related target weights of each Basket Component (each a “**Target Weight**”) are displayed in Appendix 1.

3.2 Non-Performing Basket Component Event

If on any Calculation Date, a Basket Component has returned a negative performance over the prior one year period (with respect to a Basket Component that is a Fund, as disclosed by the Fund Advisor to holders of Fund Units) (a “**Non-Performing Basket Component**”), the Investment Advisor may elect to remove all or part of such Basket Component (a “**Non-Performing Basket Component Event**”) from the Underlying Basket and replace such Basket Component with one or more Funds and/or Underlying SGI Indices equal to the Basket Component Effective Weight on the relevant Review Date of the Basket Component that has been removed (in whole or in part). The inclusion of any replacement Fund(s) and/or Underlying SGI Indices is subject to the satisfaction of the Requirements and the Additional Requirements. In addition to, or in lieu of, including new Funds and/or Underlying SGI Indices, the Investment Advisor may elect to increase the Basket Component Effective Weight of existing Basket Components.

3.3 Remedies for Requirement Breach Events, Additional Requirement Breach Events and Non-Performing Basket Component Events

Upon the occurrence of a Requirement Breach Event, Additional Requirement Breach Event or Non-Performing Basket Component Event, the Index Sponsor or Index Advisor will, or in the case of a Non-Performing Basket Component Event may, convene a meeting of the Index Scientific Committee. The Index Advisor will cure such Requirement Breach Event, Additional Requirement Breach Event or Non-Performing Basket Component Event by:

- (i) In the case of a Requirement Breach Event, removing in full the Breaching Basket Component(s) and replacing it with one or more Funds and/or Underlying SGI Indices that satisfy the Requirements and Additional Requirements, or by reallocating among existing Basket Components the Basket Component Effective Weight on the relevant Review Date of the removed Breaching Basket Component(s);
- (ii) In the case of an Additional Requirement Breach Event, reducing the Basket Component Effective Weight to 17% of the Underlying Basket and allocating such percentage reduction among existing Basket Components or new Funds and/or Underlying SGI Indices that satisfy the Requirements and Additional Requirements; and
- (iii) In the case of a Non-Performing Basket Component Event, removing (in full or in part) the Non-Performing Basket Component(s) and replacing it with one or more Funds and/or Underlying SGI Indices that satisfy the Requirements and Additional Requirements, or by reallocating among existing Basket Components the Basket Component Effective Weight on the relevant Review Date of the removed Basket Component(s).

4 Index Disruption Events:

4.1 Index Disruption Remedies

Subject to the occurrence of a Monetization Event, if an Index Disruption Event occurs on a Scheduled Calculation Date (a “**Disrupted Day**”), then the Index Calculation Agent, after instruction from the Index Sponsor, shall not calculate the Index Level on such Disrupted Day in which case the next Calculation Date shall be the first succeeding Scheduled Calculation Date that is not a Disrupted Day for any Index Component as determined by the Index Calculation Agent, after instruction from the Index Sponsor, unless each of the five Scheduled Calculation Dates immediately following the initial Disrupted Day is also a Disrupted Day for any Index Component, in which case:

- (i) the fifth Scheduled Calculation Date following the initial Disrupted Day, and each Scheduled Calculation Date that is a Disrupted Day thereafter, shall be deemed to be a Calculation Date (each, a “**Disrupted Calculation Date**”), notwithstanding the existence of an Index Disruption Event on such date and only for the purpose of determining the Index Level; and
- (ii) on that fifth Scheduled Calculation Date and on each Disrupted Calculation Date thereafter, the Index Calculation Agent shall calculate the Index Level based on following levels and prices:
 - (a) if the Index Disruption Event is a Basket Component Disruption Event in relation to one or more of the Basket Component(s) only (such Basket Component(s) the “**Affected Basket Component(s)**”):
 - (x) the level or price of the Affected Basket Component(s) using the level or price of such Affected Basket Component(s) last in effect prior to the occurrence of the relevant Basket Component Disruption Event; and
 - (y) the level of each of the Market Data as described in the definition of such Market Data on the relevant date(s) of determination as if no Index Disruption Event existed;
 - (b) if the Index Disruption Event is a Market Data Disruption Event in relation to one or more of the Market Data only (such Market Data the “**Affected Market Data**”):
 - (x) the level or price of each Basket Component as described in the definition of such Basket Component(s), on the relevant date(s) of determination as if no Index Disruption Event existed; and
 - (y) the level of the Affected Market Data determined in good faith, after instruction from the Index Sponsor, using relevant market indicators on the relevant date(s) of determination; or
 - (c) If the Index Disruption Event is a Basket Component Disruption Event including Affected Basket Component(s) and a Market Data Disruption Event including Affected Market Data:
 - (x) the level or price of the Affected Basket Component(s) using the level or price of such Affected Basket Component last in effect prior to the occurrence of the relevant Basket Component Disruption Event; and
 - (y) the level of the Affected Market Data determined in good faith, after instruction from the Index Sponsor, using relevant market indicators on the relevant date(s) of determination.

Notwithstanding the foregoing Section 4.1, on any day from the first Disrupted Calculation Date but no later than the twentieth Scheduled Calculation Date following the initial Disrupted Day, if an Index Disruption Event has been continuing on each such day, the Index Sponsor shall convene the Index Scientific Committee, to permanently cancel the Index on such twentieth Scheduled Calculation Date, unless the Index Sponsor decides that one of the following remedies (i) and (ii) (each an “**Index Disruption Remedy**”) constitutes a suitable remedy for such Index Disruption Event:

- (i) adjust any relevant terms of the Index Rules in a manner that preserves the economic characteristics of the Index; or
- (ii) continue the determination of the Index Level pursuant to section 4.1.ii for another maximum period of twenty Scheduled Calculation Dates (a “**Disruption Period Extension**”), provided that after such period, the Index Scientific Committee shall decide again between the Index Disruption Remedies, including a renewal of the Disruption Period Extension, subject to a maximum of three such extensions, including the first one.

For the purposes of this Section:

“**Index Disruption Event**” means (i) in respect of any Index Component that is a Basket Component, the occurrence or existence of a Basket Component Disruption Event or, (ii) in respect of an Index Component that is Market Data, a Market Data Disruption Event, which in any case the Index Calculation Agent, after instruction from the Index Sponsor, determines is material.

“**Basket Component Disruption Event**” means an Equity Disruption Event or Underlying SGI Index Disruption Event, each as defined herein.

4.2 Equity Disruption Event

“**Equity Disruption Event**” means, in respect of an Index Component that is an Equity Instrument, if the Equity Instrument is a Fund Unit or any similar instrument specified in the Index Rules, and if the Basket Component Type is “Fund”, the occurrence or existence of a Fund Disruption Event.

Where,

“**Fund Disruption Event**” means the occurrence or the likely occurrence of (a) a Calculation and/or Publication Disruption, (b) a Fund Settlement Disruption, or (c) a NAV Determination Disruption Event.

For the purpose hereof:

- A. “**Calculation and/or Publication Disruption**” means, in respect of an Equity Instrument that is a Fund Unit or an Underlying Index on the aforementioned, the occurrence of an event, beyond the control of a Hypothetical Replicating Party (including in case of any gate, deferral, suspension or other provisions in the Fund Documents permitting the Fund or fund underlying such Underlying Index to delay or refuse subscription and/or redemption orders) which precludes the calculation and/or publication of the Net Asset Value by the Fund (or the Fund Service Provider generally in charge of calculating such official Net Asset Value) or the net asset value of such fund underlying such Underlying Index.
- B. “**Fund Settlement Disruption**” means, in respect of an Equity Instrument that is a Fund Unit or an Underlying Index on the aforementioned, a failure by the Fund or fund underlying such Underlying Index to pay in cash the full amount of the redemption proceeds on the date by

which the Fund or fund underlying such Underlying Index was scheduled to have paid such amount and which, in the determination of the Index Calculation Agent, after instruction from the Index Sponsor, makes it impossible or impracticable to determine the Net Asset Value of such Fund or the net asset value of such fund underlying such Underlying Index, including without limitation due to (a) the transfer of all illiquid assets of such Fund or fund underlying such Underlying Index to a dedicated fund, account or structure pending the liquidation of such assets for the benefit of existing holders of the Fund Units (side pocket), (b) the restriction on the amount or number of redemptions orders that the Fund or fund underlying such Underlying Index (or the Fund Service Provider generally in charge of accepting redemption orders) will accept in relation to a single date on which such Fund or fund underlying such Underlying Index normally accepts redemption orders (a gate), (c) the suspension for any reason of the subscription or redemption orders by the Fund or fund underlying such Underlying Index (or the Fund Service Provider generally in charge of accepting subscription and redemption orders), or (d) the postponement of the payment of the balance of redemption proceeds to a date occurring after the financial statements of the Fund or fund underlying such Underlying Index have been reviewed by its statutory auditors (holdback), in each case whether these events are imposed by the Fund or fund underlying such Underlying Index without being envisaged in the Fund Documents on the Index Launch Date or are already envisaged by the Fund Documents on the Index Launch Date and are solely implemented by the Fund or fund underlying such Underlying Index after such date.

- C. **“NAV Determination Disruption Event”** means, in respect of an Equity Instrument that is a Fund Unit or an Underlying Index on the aforementioned, the occurrence of any event, beyond the control of a Hypothetical Replicating Party, other than the events mentioned in “Calculation and/or Publication Disruption” or “Fund Settlement Disruption” above affecting such Fund or fund underlying such Underlying Index which, in the determination of the Index Calculation Agent, after instruction from the Index Sponsor, makes it impossible or impracticable to determine the Net Asset Value of such Fund or net asset value of such fund underlying such Underlying Index.

4.3 Underlying SGI Index Disruption Event

“Underlying SGI Index Disruption Event” means with respect to a Basket Component that is an Underlying SGI Index, the non-publication of the level of such Underlying SGI Index, or the occurrence of a “disruption event” (howsoever defined in the index rules applicable to such Underlying SGI Index) as determined by Société Générale in its capacity as sponsor or by the Underlying SGI Index Calculation Agent of such Underlying SGI Index.

4.4 Market Data Disruption Event

“Market Data Disruption Event” means with respect to an Index Component that is Market Data, the non-publication of the level of any Market Data used by the Index Calculation Agent for the purposes of calculating the Index.

5 Index Extraordinary Event:

5.1 Extraordinary Event Remedies

If an Index Extraordinary Event occurs in respect of one or more Index Component(s) on a Scheduled Calculation Date (an “**Extraordinary Event Day**”), then the Index Calculation Agent, after instruction from the Index Sponsor, shall suspend the calculation of the Index Level on such Extraordinary Event Day, in which case the next Calculation Date shall be the first succeeding Scheduled Calculation Date on which the Index Extraordinary Event has been remedied as follows; provided that as soon as possible but no later than the twentieth Scheduled Calculation Date following the initial Extraordinary Event Day, the Index Sponsor shall convene the Index Scientific Committee to permanently cancel the Index on such twentieth Scheduled Calculation Date, unless the Index Sponsor decides that one of the following remedies (i) and (ii) (each, an “**Extraordinary Event Remedy**”) constitutes a suitable remedy for such Index Extraordinary Event:

- (i) adjust any relevant terms of the Index Rules (including, without limitation, a reduction of the weight of or a full removal of the relevant Index Component(s) in a manner that preserves the economic characteristics of the Index; or
- (ii) replace the relevant Index Component with a new component of similar characteristics.

For the purposes of this Section:

“**Index Extraordinary Event**” means an Equity Extraordinary Event, an Underlying SGI Index Extraordinary Event, a Market Data Extraordinary Event or an Additional Extraordinary Event, each as defined herein, which in any case the Index Calculation Agent, after instruction from the Index Sponsor, determines is material.

5.2 Equity Extraordinary Event

“**Equity Extraordinary Event**” means, in respect of an Index Component that is an Equity Instrument, if such Equity Instrument is a Fund Unit, the occurrence or existence a Fund Extraordinary Event.

Where,

“**Fund Extraordinary Event**” means the occurrence of any of the following events:

- A. “**Breach or Termination of Agreement**” means any failure by the Fund or a Fund Service Provider, as the case may be, to comply with or perform any agreement entered into by the Fund or a Fund Service Provider with Société Générale and/or one of its affiliates, defining the terms and conditions at which Société Générale and/or one of its affiliates may make subscriptions and/or redemptions in the Fund Units (as the case may be, different from the subscriptions and redemptions terms then prevailing pursuant to the Fund Documents), including as the case may be the rebates of management fees to be paid to Société Générale and/or one of its affiliates, the termination of such agreement by the Fund or a Fund Service Provider for reasons beyond the control of Société Générale or its affiliates or the failing or ceasing of such agreement to be in full force and effect or the Fund or the Fund Service Provider disaffirms, disclaims, repudiates or rejects in whole or in part or challenges the validity of such agreement;

- B. **“Closure of the Fund”** means liquidation, winding up or dissolution of the Fund for any reason other than those mentioned in (D) or (H) below;
- C. **“Fund Adviser Event”** means that the Index Calculation Agent, after instruction from the Index Sponsor, determines that over a period of twelve months, the total value of the assets managed by the Fund Adviser (including the Fund) has decreased by 50 per cent (either due to redemptions or decrease in value of such assets);
- A. **“Fund Insolvency Event”** means, in respect of any Fund Unit, that the related Fund (a) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (b) makes a general assignment or arrangement with or for the benefit of its creditors, (c) (i) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (ii) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (i) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within fifteen days of the institution or presentation thereof; (d) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (e) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter; or (f) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) through (e) above;
- B. **“Fund Modification”** means any change or modification of the related Fund Documents prevailing on the Index Launch Date, that could reasonably be expected to affect the value of such Fund Unit or the rights or remedies of any holders thereof (including but not limited to an open-end fund that becomes a closed-end fund), as determined by the Index Calculation Agent, after instruction from the Index Sponsor;
- C. **“Fund Service Provider Event”** means (a) a change, resignation, termination or replacement of any Fund Service Provider, (b) a change of control or indirect control of any Fund Service Provider, (c) any of the Fund Service Provider is subject to a Fund Service Provider Insolvency Event, where **“Fund Service Provider Insolvency Event”** has the same meaning as Fund Insolvency Event described in (D) above, except that Fund is replaced by Fund Service Provider or (d) in the reasonable opinion of the Index Calculation Agent, after instruction from the Index Sponsor, any of the Fund Service Providers is no longer deemed able to carry out its business with the standard of care which was prevailing on the Index Launch Date or the resignation, termination, replacement, or death of any person deemed to be key in the management of the Fund has occurred;
- D. **“Holding Ratio”** means the reduction of the Fund’s aggregate Net Asset Value under an amount that, in the reasonable opinion of the Index Calculation Agent, after instruction from the Index Sponsor, has, or is likely to have, a significant effect on the management conditions of the Fund and/or its operating expenses or would increase the proportion of Fund Units held, or

likely to be held, by a Hypothetical Replicating Party, to such extent that the full redemption in one single Valid Order of the Fund Units held by a Hypothetical Replicating Party or funds managed by the same, is likely to be impaired;

- E. **“Insolvency”** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (a) all the Fund Units of that Fund are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Fund Units of that Fund become legally prohibited from transferring or redeeming them;
- F. **“Liquidity Modification”** means that the Fund modifies the terms and conditions at which subscription and/or redemption orders can be submitted or are settled by the Fund as provided in the Fund Documents as of the Index Launch Date or implements a modification of the conditions at which subscription and/or redemption orders can be submitted or are settled by the Fund regardless as to whether the principle of such modification was already envisaged in the Fund Documents as of the Index Launch Date;
- G. **“Merger Event”** means the conversion of the Fund Unit into another class of fund units or securities, or the split of the Fund, its consolidation or its merger with, or its sale or its conveyance of all or substantially all its assets to, a third party;
- H. **“Nationalization”** means that all the Fund Units or all or substantially all the assets of a Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
- I. **“Regulatory Action”** means, with respect to any Fund Unit, (a) cancellation, suspension or revocation of the registration or approval of such Fund Unit or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Unit or Fund, (b) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Service Provider that is reasonably likely to have an adverse impact on the value of such Fund Unit or on any investor therein (as determined by the Index Calculation Agent, after instruction from the Index Sponsor), or (c) the related Fund or any of its Fund Service Provider becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Fund or Fund Service Provider;
- J. **“Reporting Disruption”** means, in respect of any Fund Unit, any failure of the related Fund to deliver, or cause to be delivered, (a) information that such Fund has agreed to deliver, or cause to be delivered to a Hypothetical Replicating Party or (b) information that has been previously delivered to a Hypothetical Replicating Party in accordance with such Fund, or its authorized representative’s, normal practice and that the Index Calculation Agent, after instruction from the Index Sponsor, deems necessary to monitor such Fund’s compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Units;
- K. **“Strategy Breach”** means (a) any breach or violation of any strategy or investment guidelines stated in the related Fund Documents, that is reasonably likely to affect the value of the Fund Units or the rights or remedies of any holders thereof, in each case, as determined by the Index Calculation Agent, after instruction from the Index Sponsor or (b) any material modification, as determined by the Index Calculation Agent, after instruction from the Index Sponsor, of the risk profile of the Fund from its risk profile prevailing on the Index Launch Date by reason of, but not limited to, the modification of the proportions, or reduction of diversification, of the type of assets in which the Fund invests or a reduction of the average liquidity of the assets of the Fund;

5.3 Underlying SGI Index Extraordinary Event

“**Underlying SGI Index Extraordinary Event**” means any suspension of the calculation of the index level of such Underlying SGI Index, following the occurrence of an “extraordinary event” (howsoever such term is defined in the index rules governing such Underlying SGI Index), or an “extraordinary event” is otherwise determined to be existing by the Underlying SGI Index Calculation Agent or by Société Générale in its capacity as sponsor of the Underlying SGI Index.

5.4 Market Data Extraordinary Event

“**Market Data Extraordinary Event**” means, in respect of Market Data, the occurrence of any of the following events:

- A. a “**Change of Market Data Publisher**” means that the Market Data is not calculated and/or announced by the publisher of such Market Data in the same conditions as those prevailing as of the Index Launch Date.
- B. a “**Change of Market Data**” means that the Market Data is replaced by a successor market data or index that is not acceptable to the Index Calculation Agent, after instruction from the Index Sponsor.
- C. a “**Modification to Market Data**” means that the publisher of a Market Data announces that it will make a material change in the formula for or the method of calculating such Market Data or in any other way materially modifies that Market Data (other than a modification prescribed in that formula or method to maintain that Market Data).
- D. a “**Cancellation of Market Data**” means that the publisher of a Market Data announces that it will permanently cancel such Market Data.

5.5 Additional Extraordinary Event

“**Additional Extraordinary Event**” means any of the following events:

- A. a “**Change in Law**” means that, in respect any Underlying SGI Index that is a Basket Component, (i) due to the adoption of any change in any applicable law or regulation (including without limitation, any tax law and any sanction published by the European Union or the government of the United States of America or any political subdivision or authority thereof or therein against any country or any organization, company or people in or related to any country) or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), it has become or is likely to become illegal for the Hypothetical Replicating Party to hold, acquire or dispose of any of the components underlying such Underlying SGI Index.
- B. a “**Replication Disruption**” means that, in respect of any Underlying SGI Index that is a Basket Component, the Hypothetical Replicating Party is unable or likely to be unable, after using commercially reasonable efforts, to either (a) acquire, substitute, or dispose of any component underlying such Underlying SGI Index, which it deems necessary to replicate the performance of the Index; or (b) freely realize, recover, receive, repatriate, remit or transfer the proceeds of the sale of any component underlying such Underlying SGI Index between accounts within the jurisdiction where any component underlying such Underlying SGI Index, is listed (the “**Affected Jurisdiction**”) or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

- C. an “**Increased Cost of Hedging**” means that, in respect of any Underlying SGI Index that is a Basket Component, the Hypothetical Replicating Party would incur a materially increased (as compared with circumstances existing on the date on which the relevant Underlying SGI Index was launched) amount of tax, duty, expense, fee (other than brokerage commissions) or cost to (a) acquire, substitute, hold, or dispose of any component underlying such Underlying SGI Index, in order to replicate the performance of the Index or (b) freely realize, recover or remit the proceeds of any component underlying such Underlying SGI Index.
- D. a “**Holding Limit**” means, assuming the Hypothetical Replicating Party is a member of the SG Group, that such member holds and/or any members of the SG Group in aggregate hold, an interest in any one restricted Basket Component constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote 25% or more of any class of voting securities of the issuer of such Basket Component as determined by Société Générale. A “**restricted Basket Component**” for the purpose of this definition, means those assets subject to internal monitoring by Société Générale for purposes of its compliance with restrictions imposed by the Volcker Rule.

6 Adjustments relating to Funds

Upon the occurrence on a Scheduled Calculation Date of any event affecting a Fund, without limitation:

- A. a subdivision, consolidation or reclassification of the relevant number of Fund Units, or a free distribution or dividend of any such Fund Units to existing holders by way of bonus, capitalization or similar issue;
- B. a distribution, issue or dividend to existing holders of the relevant Fund Units of (a) an additional quantity of such Fund Units, or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Units, or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (d) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Index Calculation Agent, upon instruction from the Index Sponsor;
- C. an extraordinary dividend;
- D. a repurchase by the Fund of relevant Fund Units whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Units initiated by an investor in such Fund that is consistent with the Fund Documents; or
- E. any other event that, in the opinion of the Index Calculation Agent, after instruction from the Index Sponsor, such events may have a diluting or concentrative effect on the theoretical value of the Fund or quantity of Fund Units,

the Index Sponsor may adjust any relevant terms of the Index Rules (including, without limitation, the weight of the Fund in the Index) in a manner that preserves the economic characteristics of the Index.

7 Index Scientific Committee:

The composition of the Index, or as the case may be, the Underlying Basket is reviewed regularly by the Index Advisor and the Index Sponsor without convening the Index Scientific Committee.

7.1 Periodical Review

The periodical review of the composition of the Index, or as the case may be, the Underlying Basket is generally performed by the Index Advisor and the Index Sponsor without convening the Index Scientific Committee, unless the Index Sponsor or the Index Advisor chooses to call such committee for such review from time to time.

7.2 Index Scientific Committee Governance:

7.3.1 Membership

The Index Scientific Committee will comprise three (3) members: two (2) of whom shall be representatives of the Index Sponsor (the “**Index Sponsor Representatives**”) and one (1) of whom shall be a representative of the Index Advisor (the “**Index Advisor Representative**”).

The Index Scientific Committee secretary shall always be an Index Sponsor Representative.

7.3.2 Quorum

The quorum necessary for a meeting of the Index Scientific Committee shall be three (3) members including both Index Sponsor Representatives and the Index Advisor Representative, unless such meeting is convened in relation to an Index Disruption Event or an Index Extraordinary Event, in which case, the quorum shall be both Index Sponsor Representatives.

7.3.3 Notice of meetings

Meetings of the Index Scientific Committee may be called either by an Index Sponsor Representative or an Index Advisor Representative by a notice indicating the venue, time and date together with an agenda of items to be discussed, forwarded to each member of the Index Scientific Committee, no later than 2 Scheduled Calculation Dates before the relevant Review Date.

7.3.4 Resolutions

All resolutions shall be taken at the unanimity of the members of the Index Scientific Committee, unless such resolution is taken in relation to an Index Disruption Event or an Index Extraordinary Event, in which case, the vote of the Index Sponsor Representatives shall prevail over all contrarian votes from any other member of the committee.

7.3.5 Minutes of meeting

The Index Scientific Committee secretary shall make minutes of all meetings of the Index Scientific Committee, including recording of:

- the names of those present and in attendance;
- the reasons and agenda of the meeting;
- all the proceedings and resolutions, and the modifications (if any) on the Index Rules, altogether the “**Minutes**”.

The Minutes of the Index Scientific Committee meetings shall be circulated the same day to (i) all the members of the Index Scientific Committee and (ii) the Index Calculation Agent.

8 Additional Provision

In circumstances where the Index Sponsor makes a decision or where a resolution is adopted by the Index Scientific Committee as the case may be (together the “**Decisions**”), with respect to the methodology of calculation and/or the allocation of the Index, and the Index Calculation Agent determines that it can no longer calculate the Index to obtain the Index Level according to the Index Rules as amended by such Decisions, the Index Calculation Agent shall notify the Index Sponsor of such impossibility together with the grounds thereof. Upon receipt of such notification, the Index Sponsor shall modify its decision or, as the case may be, convene a new meeting of the Index Scientific Committee in order to adopt a new resolution, in a manner which would allow the calculation of the Index by the Index Calculation Agent provided that it preserves the economic construction of the Index (the “**New Decisions**”). Once made by the Index Sponsor or adopted by the Index Scientific Committee as the case may be, such New Decisions shall be sent to the Index Calculation Agent and be conclusive and binding.

Société Générale

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S&P Absolute Strategies Index
(USD – Net Total Return)

Appendix 1 – Underlying Basket on Index Launch Date

i	Basket Component Strategy	Basket Component	Ticker	Basket Component Currency	Basket Component Type	TW _{k(t₀)}	Basket Component Return Type
1	Event Driven & Risk Arb	Barclays Quantitative Merger Arbitrage US Fund	BQMUSC2 ID	USD	Fund	15%	TR
2	L/S Equity – Emerging Markets	GAM Star LUX – Emerging Alpha	GAMSEDU LX	USD	Fund	10%	TR
3	L/S Equity – Long Bias	DB Platinum - Omega	DBO11CU LX	USD	Fund	15%	TR
4	L/S Equity – Market Neutral	BlackRock European Diversified Equity Absolute Return	BSEDD2U LX	USD	Fund	10%	TR
5	L/S Equity – Variable Bias	Marshall Wace – MW Developed Europe TOPS Fund	MWDETDU ID	USD	Fund	10%	TR
6	L/S Equity – Variable Bias	Henderson Horizon Pan European Alpha	HEPEA2U LX	USD	Fund	10%	TR
7	L/S Equity – Variable Bias	AllianceBernstein - Select Absolute Alpha Portfolio	ABSAALA LX	USD	Fund	15%	TR
8	L/S Equity – Variable Bias	Martin Currie Europe Absolute Return	MCEABUR LX	USD	Fund	10%	TR
9	L/S Equity – Variable Bias	Henderson Gartmore UK Absolute Return	HGUKRRU LX	USD	Fund	5%	TR

Appendix 2 – Underlying Basket on October 6th 2015

According to the Index Rules as of October 6 2015, the following substitution was authorized:

Out:	Increase:
Barclays Quantitative Merger Arbitrage US Fund (porcentaje inicial = 15%)	Schroder GAIA Paulson Merger Arbitrage (porcentaje inicial = 15%)
DB Platinum Omega (porcentaje inicial = 15%)	RWC Funds-RWC US Absolute Alpha (porcentaje inicial = 15%)

The effective date for this substitution is October 6 2015.

The allocation after the substitution is:

i	Basket Component Strategy	Basket Component	Ticker	Basket Component Currency	Basket Component Type	TW _k (t ₀)	Basket Component Return Type
1	L/S Equity – Emerging Markets	GAM Star LUX – Emerging Alpha	GAMSEDU LX	USD	Fund	10%	TR
2	L/S Equity – Market Neutral	BlackRock European Diversified Equity Absolute Return	BSEDD2U LX	USD	Fund	10%	TR
3	L/S Equity – Variable Bias	Marshall Wace – MW Developed Europe TOPS Fund	MWDETDU ID	USD	Fund	10%	TR
4	L/S Equity – Variable Bias	Henderson Horizon Pan European Alpha	HEPEA2U LX	USD	Fund	10%	TR
5	L/S Equity – Variable Bias	AllianceBernstein - Select Absolute Alpha Portfolio	ABSAALA LX	USD	Fund	15%	TR
6	L/S Equity – Variable Bias	Martin Currie Europe Absolute Return	MCEABUR LX	USD	Fund	10%	TR
7	L/S Equity – Variable Bias	Henderson Gartmore UK Absolute Return	HGUKRRU LX	USD	Fund	5%	TR
8	Event Driven & Risk Arb	Schroder GAIA Paulson Merger Arbitrage	LU1062022733 / SGAPMAC LX	USD	Fund	15%	TR
9	L/S Equity – Long Bias	RWC Funds-RWC US Absolute Alpha	LU0453474867 / RWCUAUU LX	USD	Fund	15%	TR

Appendix 3 – Underlying Basket on September 20, 2017

According to the Index Rules, as of September 19 2017, the following substitutions were authorized:

Out: GAM Star LUX – Emerging Alpha (porcentaje inicial = 10%)	Increase: Schroder GAIA Sirios US Equity (porcentaje inicial = 10%) MS PSAM GLB Event UCITS (porcentaje inicial = 7.5%)	Decrease: Schroder GAIA Paulson Merger Arbitrage (porcentaje inicial = 7.5%)
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The effective date for this substitution is September 19, 2017.

The allocation after the substitution is:

i	Basket Component Strategy	Basket Component	Ticker	Basket Component Currency	Basket Component Type	$TW_k(t_0)$	Basket Component Return Type	Weekday Valuation Day
1	L/S Equity – Variable Bias	Schroder GAIA Sirios US Equity	SCGSCUA LX	USD	Fund	10%	TR	Daily
2	L/S Equity – Market Neutral	BlackRock European Diversified Equity Absolute Return	BSEDD2U LX	USD	Fund	10%	TR	Daily
3	L/S Equity – Variable Bias	Marshall Wace – MW Developed Europe TOPS Fund	MWDETDU ID	USD	Fund	10%	TR	Daily
4	L/S Equity – Variable Bias	Henderson Horizon Pan European Alpha	HEPEA2U LX	USD	Fund	10%	TR	Daily
5	L/S Equity – Variable Bias	AllianceBernstein - Select Absolute Alpha Portfolio	ABSAALA LX	USD	Fund	15%	TR	Daily
6	L/S Equity – Variable Bias	Martin Currie Europe Absolute Return	MCEABUR LX	USD	Fund	10%	TR	Daily
7	L/S Equity – Variable Bias	Henderson Gartmore UK Absolute Return	HGUKRRU LX	USD	Fund	5%	TR	Daily
8	Event Driven & Risk Arb	Schroder GAIA Paulson Merger Arbitrage	LU1062022733 / SGAPMAC LX	USD	Fund	7.5%	TR	Wednesday
9	L/S Equity – Long Bias	RWC Funds-RWC US Absolute Alpha	LU0453474867 / RWCUAAU LX	USD	Fund	15%	TR	Daily

10	Event Driven & Risk Arb	MS PSAM GLB Event UCITS	MSPGEIU ID	USD	Fund	7.5%	TR	Friday
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