

# INDEX CESSATION PROCEDURE

VERSION 001

EFFECTIVE FROM 1 APRIL 2019

## TABLE OF CONTENTS

<b>TABLE OF CONTENTS .....</b>	<b>2</b>
<b>1. INTRODUCTION .....</b>	<b>3</b>
1.1. Associated Documents.....	3
1.2. Version notes .....	4
<b>1. PROCEDURE FOR CESSATION OF INDICES.....</b>	<b>5</b>

## 1. INTRODUCTION

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This procedure concerns the cessation of Indices.

This procedure is provided and updated by the Euronext Index Design department (“Index Design”) and, at least once every calendar year, is reviewed by the Responsible Benchmark Administrator (“RBA”) and the Benchmark Oversight Committee (“BOC”) (see ‘[Governance Euronext Indices](#)’ for more information on the roles and responsibilities).

### 1.1. ASSOCIATED DOCUMENTS

The following documents should be read in conjunction with this document or provide other relevant information for the reader:

- Benchmark Statement
- Compliance Statement
- Governance Euronext Indices
- Rulebook of each Family of Indices
- Methodology Euronext Indices
- Rules of Procedure Independent Supervisors
- Benchmark Oversight Committee Charter
- List of Indices

### BENCHMARK STATEMENT

The Benchmark Statement identifies the primary features of an index family or families of indices in the context of the EU Benchmark regulation.

### COMPLIANCE STATEMENT

The Compliance Statement provides details, for both significant and non-significant benchmarks, which provisions the administrator has chosen not to apply, and offers an explanation as to why it is appropriate not to apply each provision.

### GOVERNANCE EURONEXT INDICES

The purpose of the ‘Governance Euronext Indices’ is to describe the role and responsibilities of each of the governance bodies that are part of the Benchmark Administrators of Euronext.

### RULEBOOK OF EACH FAMILY OF INDICES

Each index is part of an index family that shares the basis for selection (universe) and which is managed in a comparable way. A separate rulebook is provided for each index family that will describe the specific features of that index family as well as specific elements of each index within that family.

### METHODOLOGY EURONEXT INDICES

The Methodology Euronext Indices document describes all aspects that apply for the

- periodical reviews,
- the calculation, and
- treatment of corporate actions of indices provided by Euronext Indices.

### RULES OF PROCEDURE INDEPENDENT SUPERVISORS

For each Independent Supervisor Euronext publishes a ‘Rule of Procedure’ that describes the responsibilities and composition of each Independent Supervisor.

## **BENCHMARK OVERSIGHT COMMITTEE CHARTER**

The Benchmark Oversight Committee Charter describes the role and responsibilities of the Benchmark Oversight Committee.

## **LIST OF INDICES**

An overview of all indices provided by Euronext Indices with identification of their respective administrator and regulator. The list provides all reference information, identifies the status of each benchmark and contains links to the relevant index family rulebooks.

### **1.2. VERSION NOTES**

<b>Version</b>	<b>Effective date</b>	<b>New or changed parts</b>
1.0	1 April 2019	First version

## 1. PROCEDURE FOR CESSATION OF INDICES

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### Cessation of Indices

Index Design can consider the cessation of Indices (in their existing form) if, for example, an Index no longer represents the underlying market, as a result of regulatory changes or changes to the economic reality. If an Index is still used by market participants, but in the opinion of Index Design, the maintenance of the Index is no longer possible, Index Design can consider certain alternatives to cessation of the Index, as described below under “Alternatives to cessation”.

### Responsibility for decision on cessation of an Index

The Independent Supervisor must approve the cessation of any significant and non-significant Benchmark following a consultation process.

For any non-significant Benchmark, if no Independent Supervisor exists for such Index, Index Design must approve the cessation of the Index.

### Steps in case of the potential cessation of an Index

Index Design will consult clients, product issuers and/or internal sponsors of the index and the Index Panel regarding Indices that have been identified as Indices that could potentially cease to exist.

In case of a significant Benchmark a public consultation will be held in order to identify unknown users of the Index. Following this consultation, the proposal of cessation of the Index is brought before the Independent Supervisor of the Index. For Indices that do not have an Independent Supervisor, the decision to decommission is made by Index Design.

### Announcement

The cessation will be announced through a Market Data Announcement at least one month before the effective date of the cessation.

### Indices Review policy

In case an Index review is planned after the announcement of the cessation of such Index, Index Design reserves the right to cancel this Index review.

### Alternatives for cessation

If an Index is still used by market participants, but in the opinion of Index Design, the maintenance of the Index is no longer possible the following alternatives are investigated by Index Design:

- Re-launch of the Index, which entails the changing of the name (and mnemo) and possible selection/calculation rule changes.
- Transfer of the Index to another provider that may have more efficient resources to run the index.
- Redefining the underlying market segment or Index calculation method.
- Conversion into a custom index owned by a third party.