

# Material Change of an Index Procedure

Ahead of any proposed modifications to an index, any component of an index or the index rulebook, Merrill Lynch International in its role as a benchmark administrator of a number of quantitative investment strategy indices (the “**Benchmark Administrator**”, and each such index an “**Index**”) will seek prior approval from the Equities Index Forum, who is responsible for the oversight of the governance and the control framework applied to our Indices.

When assessing whether to modify an Index, the Benchmark Administrator will:

1. Confirm whether there are outstanding financial instruments or products which reference the relevant Index;
2. Confirm whether the change is “material” in the determination of the Benchmark Administrator;
3. In the case of (1) and (2) and where the Equities Index Forum considers it appropriate to do so:
  - a) make available to stakeholders the rationale for the change, along with the proposed timing and details of the change; and/or
  - b) conduct a stakeholder consultation process,
    - i. which will provide a clear timeframe during which stakeholders may provide feedback; and
    - ii. make available upon request a summary of the comments received during any consultation process along with the Benchmark Administrator’s responses, except where a commenter has requested confidentiality;

Following the consultation process, the changes to the methodology in the index rulebook will be approved by the Equities Index Forum if the decision is taken to make the change. A notification of the decision will be published to stakeholders, along with reasonable notice of the date on which the change will take place, taking into account the type of Index and the extent of its use.

Modifications must be approved by a majority vote of the voting members of the Equities Index Forum. Modifications of an Index shall be consistent with the original objectives and strategy of the Index. Modifications of features or components that affect more than one Index shall be made consistently across such Indices, unless the Equities Index Forum in its reasonable judgment determines otherwise.

Records of all approvals of the Equities Index Forum in relation to the modification of an Index must be retained.

Following approval by the Equities Index Forum, the Benchmark Administrator will modify the Index, and may among other things, take the following actions:

1. Update any marketing materials, Bloomberg page or other market data provider;
2. Restate the Index, and publish the restated version.
3. Update the benchmark methodology statement and/or benchmark statement for the modified Index;
4. Update the amended version of the Index Rulebook to reflect the modification.

For further information on the Equities Index Forum, please contact us on [dg.Investable\\_Indices\\_global@bankofamerica.com](mailto:dg.Investable_Indices_global@bankofamerica.com).