

January 2015

Index Research Team

Introduction ML Index Atlas Frontier LSE Listed Equities Index has been created to select emerging market stocks paying dividends which are significantly above average practices.

Index Family ML Index Atlas Frontier LSE Listed Equities Index is part of the Rigidly defined Index using Standard Symmetrical Index construction rules.

Eligibility **Domiciliation**

Frontier market stocks listed on LSE GDR or AIM section are eligible for this index from the list of MidLincoln Frontier Market countries.

Index Construction

This is a standard symmetrical index meaning that it requires calculation of the number of shares of financial instrument needed to construct the index with equal dollar weight of each element.

Rebalancing

In each rebalancing exercise the prime goal is to determine adjusted number of shares in accordance with index construction rules. For the standard symmetrical indexes the number of shares is adjusted to set each weight as even. Rebalancing for this ML Index Atlas occurs twice a year. New number of shares are calculated based on prices on the last trade of December and last trade in June, given the changes for the index composition from the weighting list. Newly listed stocks on LSE are qualified for the next 6 month rebalancing.

Index calculation

Index calculation is made entirely easy. And on each given day index calculation summarises the index value by multiplying number of shares determined in the last

January 2015

Index Research Team

rebalancing by last available price. The day index value is calculated using last trade price.

Dividends and Coupons

This index is total return indexes the number of shares is recalculated to reflect received dividends or coupons following the dividend distribution date, replicating the reinvestment process by the investment manager.

Corporate Actions

The index team carefully considers the impact of the corporate action on the security or the universe and adjust the number of share on the day the corporate action goes into effect as to ensure the index continuity and reproducibility.

Index Data

Daily index values are made available to clients via email or . Via ftp transfers. The primary index data distribution channel is www.midlincoln.com website. Some indexes are published with financial information providers such as Bloomberg or Reuters. Some real time indexes are published in Bloomberg or Reuters with an aide of the special publishing intermediaries.

Index Governance

ML Index Atlas is maintained by the ML Index Research Team, consisting of the experienced full time professionals with necessary scientific background all fully aware of the indexing business model within MidLincoln Research and in general within the broader financial mathematics applications . The primary goal of the index team is to construct and

January 2015

Index Research Team

maintain indexes with best integrity, continuity and reproducibility of indexes, replicating the needs and best practices of the investment management community.

Exchange Closures and Force Majeure

In the event of the exchange closures or system breakdowns or other force majeure ML Index Atlas uses the last available price. Otherwise ML Index Atlas approach to calculating indexes in such cases in the manner as to limit the damages for the investment managers using the indexes.