

# Consultation Notice on proposed amendments to the methodology of:

## Credit Suisse EU Equity Enhanced Call Writing TR Index, Credit Suisse EU Equity Enhanced Call Writing CHF TR Index, Credit Suisse US Equity Enhanced Call Writing TR Index, Credit Suisse UK Equity Enhanced Call Writing TR Index, and Credit Suisse EU Short Strangle Series I TR Index

This Notice is addressed to all users and stakeholders of the indices with the Bloomberg Tickers set out in the Appendix hereto (the "**Appendix**") (each an "**Index**" and together the "**Indices**") and is published by Credit Suisse International ("**CSI**") in its capacity as Index Administrator (as defined below) of the Indices.

CSI is authorised by the Prudential Regulation Authority ("**PRA**") and regulated by the Financial Conduct Authority ("**FCA**") and the PRA. CSI is registered with the FCA as a benchmark administrator.

### **Introduction and scope of Consultation**

CSI is the sponsor (the "**Index Sponsor**") of the Indices. CSI also acts as (i) the administrator (the "**Index Administrator**" and "**Index Administration**") of the Indices for the purposes of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds ("**EU BMR**") as it forms part of the domestic law of the United Kingdom (the "**UK BMR**") and (ii) the index calculation agent (the "**Index Calculation Agent**"). CSI, as the Index Sponsor and Index Administrator, may, acting through its benchmark governance committee (the "**Index Committee**"), make decisions on any amendments to the Index Methodology (as defined below) for each Index.

CSI, as Index Sponsor and Index Administrator has proposed amendments to the Index Methodology for the Indices and as Index Administrator is hereby consulting on those proposed amendments (the "**Consultation**").

The aim of the Consultation is to provide users and stakeholders with (i) applicable background information, (ii) the rationale for, and clear information on, the proposed amendments, (iii) an opportunity to ask questions or provide comments in respect of the proposed amendments and (iv) practical information on responding to the Consultation and next steps.

Capitalised terms used but not defined herein shall have the meaning ascribed to them in the CS Index Rules (as defined below) for each Index.

If you do not understand the contents of this Notice or are unsure how this affects you, you should consult an appropriate professional adviser.

### **Current Index Methodology**

The current methodology of each Index (the "**Index Methodology**") is set out in the following documents as relevant of each Index:

In respect of the Credit Suisse EU Equity Enhanced Call Writing CHF TR Index:

- the Credit Suisse EU Equity Enhanced Call Writing CHF TR Index – Index Rules.

In respect of all other Indices:

- the Credit Suisse EU Enhanced Collar Index Series - Index Specific Rules, the Credit Suisse Enhanced Collar Index Series - Index Specific Rules, the Credit Suisse UK Enhanced Collar Index Series - Index Specific Rules, and the Credit Suisse EU Short Strangle Series I Index - Index Specific Rules (the “**CS Index Specific Rules**”);
- the Credit Suisse Listed Option Interpolations Technical Document (the “**CS Interpolation Document**”); and
- the Credit Suisse Option Indices Master Index Rules (the “**CS Master Index Rules**” and together with the CS Index Specific Rules, the CS interpolation Document, are collectively referred to as the “**CS Enhanced Collar Index Rules**”).

The Indices are part of the indices comprised in the Index Specific Rules, but this Consultation is limited to the Indices and their Index Methodology.

The CS Enhanced Collar Index Rules together with the Credit Suisse EU Equity Enhanced Call Writing CHF TR Index – Index Rules, are collectively referred to as the “**CS Index Rules**”.

### **Background to the Consultation and rationale for the proposed amendments to the Index Methodology**

On 12 June 2023, UBS announced the completion of the acquisition of Credit Suisse. Credit Suisse Group AG was merged into UBS Group AG (the “**UBS/CS Acquisition**”) and the combined entity has since operated as a consolidated banking group. CSI has become a wholly owned indirect subsidiary of UBS Group AG. Following the UBS/CS Acquisition the decision has been taken in conjunction with CSI and the Index Committee, to conduct an orderly exit (the “**Index Administrator Exit**”) from CSI’s role as an administrator under UK BMR and this will impact the Indices.

As part of the implementation of the Index Administrator Exit, CSI on a date which is expected to be on or around 23 May 2024 (the “**Transfer Effective Date**”), proposes to transfer its role as Index Sponsor of the Indices to UBS AG, London Branch (“**UBS**”) (the “**Index Sponsor Transfer**”), which in turn proposes to appoint Solactive AG (“**Solactive**”) as Index Administrator and Index Calculation Agent (succeeding CSI in those capacities) for the Indices (the “**Third Party Administrator Appointment**”) on the Transfer Effective Date.

Solactive was founded in 2007 and is registered as an administrator under Article 34 of EU BMR with the German Federal Supervisory Authority and appears on the register of administrators of the European Securities and Markets Authority. Further information on Solactive can be found at:

<https://www.solactive.com/>

Amendments to the Index Methodology for the Indices are necessary from the Transfer Effective Date, as a result of the proposed Index Sponsor Transfer, Index Administrator Exit and Third Party Administrator Appointment.

### **Proposed amendments to the Index Methodology**

In the context of the matters outlined above, it is proposed that, in respect of each Index, with effect from the Transfer Effective Date:

- CSI will transfer its role as Index Sponsor to UBS and CSI will cease to be the Index Sponsor, Index Administrator and Index Calculation Agent;
- UBS AG, London Branch, as Index Sponsor, will appoint Solactive AG, to act as Index Administrator and Index Calculation Agent, replacing CSI in such roles;
- the name of each Index will be changed as specified in the Appendix;

- Solactive AG will publish and calculate the level of the Index in place of CSI, but with the new name and under the same Bloomberg Ticker;
- the amendments to the Index Methodology set out in the Appendix will be implemented; and
- the CS Index Rules for each Index will be replaced by the index rules prepared by Solactive (the "**Solactive Index Rules**"). The Solactive Index Rules will contain the Index Methodology, with amendments to reflect the changes above and certain others to reflect the ongoing roles of Solactive as Index Administrator and Index Calculation Agent of the Index.

### **Consultation Period and availability of documentation**

In order to take into account the views of users and stakeholders of the Indices, CSI, as Index Administrator, is conducting the Consultation on the proposed amendments. The Consultation opens on 18 April 2024 and will run until close of business in Zurich on 14 May 2024 (the "**Consultation Period**").

Within the Consultation Period, users and stakeholders are invited to send any feedback or comments on the Consultation to: [list.gis-consultation@credit-suisse.com](mailto:list.gis-consultation@credit-suisse.com) including a reference to the relevant Bloomberg Ticker in their email, along with their name and details of their status as a user or stakeholder.

Copies of the CS Index Rules and draft Solactive Index Rules for each Index will be made available to users and stakeholders of the Indices upon request to the same email address within the Consultation Period.

Please note that this Notice and any relevant updates on the Consultation will be made accessible on the following website: <https://www.credit-suisse.com/uk/en/investment-banking/financial-regulatory/customer-notices.html?a=32>

### **Credit Suisse International**

Dated: 18 April 2024

## Appendix

Index	Bloomberg Ticker	New Index Name	Amendments
Credit Suisse EU Equity Enhanced Call Writing TR Index	CSEAE CET	UBS EU Equity Enhanced Call Writing TR Index	<ul style="list-style-type: none"> <li>- the Credit Suisse EU Equity Futures EUR Excess Return Index (CSRFV GEE) (constituent of CSEAE CET and also administered by CSI) shall be replaced with the Solactive EU Equity 1-Day Rolling Future Index ER (EUR) with Bloomberg ticker: SOF1VGS0 , which (i) is sponsored by Solactive, (ii) is administered and calculated by Solactive and (iii) follows the same index objective and construction methodology;</li> <li>- OTC option prices shall be interpolated using listed options official settlement prices as the mid-price;</li> <li>- OTC option prices shall be interpolated using a discount rate equal to the Euro short-term rate (ESTRON Index) as of the immediately preceding calculation day.</li> </ul>
Credit Suisse EU Equity Enhanced Call Writing CHF TR Index	CSEAE CCT	UBS EU Equity Enhanced Call Writing CHF TR Index	<ul style="list-style-type: none"> <li>- the Credit Suisse EU Equity Enhanced Call Writing Excess Return Index (CSEAE CEE) (constituent of CSEAE CCT and also administered by CSI) shall be replaced by the excess return construct of the UBS EU Equity Enhanced Call Writing TR Index, which is also subject to proposed amendments to its index methodology, as per corresponding and concurrent consultation.</li> </ul>
Credit Suisse US Equity Enhanced Call Writing TR Index	CSEAE UCET	UBS US Equity Enhanced Call Writing TR Index	<ul style="list-style-type: none"> <li>- the Credit Suisse US Equity Futures USD Excess Return Index (CSRFESUE) (constituent of CSEAE UCET and also administered by CSI) shall be replaced with the UBS Market Beta US Large Cap Equity Index ER USD with Bloomberg ticker: UISEMULC, which (i) is sponsored by UBS, (ii) is administered and calculated by MerQube and (iii) follows the same index objective and construction methodology;</li> <li>- OTC option prices shall be interpolated using listed options bid and ask prices based on the last available quoted bid</li> </ul>

			<p>and ask between 3:59:00 p.m. (including) and 4:00:00 p.m. (excluding) ET (and 12:59:00 p.m. (including) and 1:00:00 p.m. (excluding) for half trading days);</p> <ul style="list-style-type: none"> <li>- OTC option prices shall be interpolated using a discount rate equal to the Secured Overnight Financing Rate (SOFRRATE Index) as of the immediately preceding calculation day.</li> </ul>
Credit Suisse UK Equity Enhanced Call Writing TR Index	CSEAKCET	UBS UK Equity Enhanced Call Writing TR Index	<ul style="list-style-type: none"> <li>- the Credit Suisse UK Equity Futures GBP Excess Return Index (CSRFZGE) (constituent of CSEAKCET and also administered by CSI) shall be replaced with UBS Market Beta UK Large Cap Equity Index ER GBP with Bloomberg ticker: UISEMLLC, which (i) is sponsored by UBS, (ii) is administered and calculated by MerQube and (iii) follows the same index objective and construction methodology;</li> <li>- OTC option prices shall be interpolated using listed options official settlement prices as the mid-price;</li> <li>- OTC option prices shall be interpolated using a discount rate equal to the SONIA Interest Rate Benchmark (SONIO/N Index) as of the immediately preceding calculation day.</li> </ul>
Credit Suisse EU Short Strangle Series I TR Index	CSEAESIT	UBS EU Short Strangle Series I TR Index	<ul style="list-style-type: none"> <li>- OTC option prices shall be interpolated using listed options official settlement prices as the mid-price;</li> <li>- OTC option prices shall be interpolated using a discount rate equal to the Euro short-term rate (ESTRON Index) as of the immediately preceding calculation day.</li> </ul>