

CRSP Index Restatement Policy and Guidelines

CRSP Index Restatement Policy

This policy addresses the Center for Research in Security Prices (CRSP), LLC process for correcting errors and provides guidelines for when an index will be recalculated and/or re-issued. CRSP makes every effort to maintain its high standards of data quality and strives to be transparent and consistent when addressing errors or inaccuracies in the information disseminated to its clients. Errors or inaccuracies may occur for a variety of reasons, including but not limited to: incorrect, late announced or missed closing prices, dividends or secondary offerings, complex corporate actions, or market distortions.

As a general policy, if an error is found in a CRSP Index that causes an incorrect index level, constituent list, or file, the Index Operating Committee will determine the impact and the context, review the situation, and will make an Index restatement recommendation.

- 1) If the guidelines for restatement are not met, the Index Operating Committee may make the decision to not restate.
- 2) If the error is found on the effective date of the action or disseminated via an approved T+1 announcement, and meets the guidelines for restatement, the Index Operating Committee may make the decision to restate, and will notify the Index Oversight Committee.
- 3) If the error is found on a past day and the error meets the guidelines for a restatement, the Index Operating Committee will make a restatement recommendation to the Index Oversight Committee, who will then make the final decision.

CRSP will use best efforts to follow the Index Restatement Guidelines attached as Appendix A. These guidelines should not be interpreted as mandatory requirements as CRSP reserves the right to address errors in any manner it deems reasonable given the circumstances. In exceptional circumstances, the Chief Executive Officer (or proxy) and at least one member of the CRSP Advisory Board will decide on a course of action.

Stakeholders will be notified of the restatement through the appropriate communication channels. Furthermore, promptly after CRSP determines that a restatement will be initiated, CRSP will post an announcement of the pending restatement on the CRSPMI secure website. A second announcement will be posted on the CRSPMI website once the restatement has been completed.

CRSP does not make any representation or warranty of any kind, either express or implied, with respect to the accuracy of the index. Furthermore, CRSP expressly disclaims any and all implied warranties, including, without limitation, warranties of accuracy, completeness, non-infringement, merchantability, and fitness for a particular purpose. CRSP is not liable for any loss or damage incurred as a result of any errors or inaccuracies, whether arising from negligence or otherwise.

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Appendix A CRSP Index Restatement Guidelines

CATEGORY	RESTATEMENT GUIDELINE
Any missed or incorrect event for which an error* in index results can be measured	<p>If a missed or incorrect event is identified, for which an error* to published index results can be measured:</p> <ul style="list-style-type: none"> and a CRSP Headline Index** is impacted and no more than 2 trading days of index results have been published after the 1st day with the error* <p>Then,</p> <ul style="list-style-type: none"> If the absolute value of the error* on any single day in the affected date range > 15bps, or (the affected date range includes a month-end day and the absolute cumulative error* over the affected date range > 3bps)***, then CRSP will recalculate all impacted indexes and reissue Data Files
Index Constituent List error. The index methodology was not followed, or was applied to erroneous data on a date in the past	<p>In general, the constituent in error will be left in the current index and subject to movement at the next Ranking.</p> <p>However, CRSP may decide to make a correction in special cases:</p> <ul style="list-style-type: none"> If the original instructions were not investable, and the impact to a CRSP Headline Index** doesn't meet the error thresholds and month-end criteria defined above for a missed or incorrect event, then CRSP may decide to apply the correction going forward as soon as practicable. If the original instructions were investable and the Constituent in error alters the nature of the index, then CRSP may decide to apply the correction going forward as soon as practicable. If the original instructions were not investable and the impact to a CRSP Headline Index** meets the error thresholds and month-end criteria defined above for a missed or incorrect event, then CRSP may decide to update the past day Constituent Lists, restate the index results, and reissue the Data Files for those days. Generally, if more than 2 trading days of index results have been published after the 1st day with the constituent in error, then past Constituent lists will not be updated.
Cash Dividend, Rights	<p>If a missed corporate action is identified which involved a cash payout:</p> <ul style="list-style-type: none"> and the cash payout can be applied as an adjustment on a future date to get the correct value and the impact to a CRSP Headline Index* doesn't meet the error thresholds and month-end criteria defined above for a missed or incorrect event and no more than 2 trading days of index results have been published after the 1st day with the error* <p>Then CRSP may decide to apply the adjustment as soon as practicable.</p>
Rights, Voluntary Elections (Secondary Offering, Partial Tender)	<p>If an event that required a choice by an investor was missed per the rules denoted in the methodology guide, then generally, the holdings will not be modified until the next Ranking.</p>
Splits	<p>If a missed or incorrect split is identified, it will be reviewed according to the guidelines defined above for any missed or incorrect event for which an error* in index results can be measured.</p>
Close Price	<p>If a missed or incorrect price is identified, it will be reviewed according to the guidelines defined above for any missed or incorrect event for which an error* in index results can be measured.</p>

(*) An error to an index is measured by difference between the published Index Return and the expected Index Return for an index series, in basis points.

(**) The CRSP Headline Indexes refer to any CRSP index product with a Total Value of greater than \$10,000,000 in linked assets according to the posted values contained here: <http://www.crsp.org/crsp-linked-asset-values>

(***) This criteria, which addresses single day error and cumulative error plus month-end, will be referred to as the "error thresholds and month-end criteria" in this document.