

## BBVA SMART USD RC 5% Index

The BBVA SMART USD RC 5% Index (the “**BBSMARTU**”) is one of the BBVA Systematic Multi Asset Regional Trend Indices (“**SMART Indices**”). The SMART Indices, including the BBSMARTU, are the property of Banco Bilbao Vizcaya Argentaria, S.A (“**BBVA**”) and are administered and calculated by IHS Markit Benchmark Administration Limited and/or its affiliates (“**IHS**”). IHS completed a merger with S&P Global in 2022 and is now an S&P Global company. IHS is not included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA Register**”). At the date hereof, IHS is not required to appear in the ESMA Register pursuant to the provisions of Regulation (EU) 2016/1011 as amended and as retained in United Kingdom (the “**BMR**”). IHS is included in the Financial Conduct Authority register of administrators and benchmarks.

The BBSMARTU follows a rules-based dynamic asset allocation strategy designed to offer long-only exposure to multiple asset classes and geographic regions while seeking to control volatility at or near pre-defined targets. Specifically, the BBSMARTU may provide exposure to US equities, US government bonds, Japanese equities, Japanese government bonds, European equities, European government bonds and gold, each of which is represented in the BBSMARTU by one or more futures contracts or ETFs (each, an “**Index Component**”). The BBSMARTU allocates exposure between the index components and a simulated investment in a non-remunerated cash account based on market trend signals, as described in greater detail below, subject to the volatility control mechanism (also described in greater detail below). The BBSMARTU is an excess return index and the level reflects daily deductions based on (i) financing costs associated with an investment in the Index Components, (ii) transaction and rolling costs associated with investments in the Index Components and (iii) the Index maintenance fee of 0.1% per annum (collectively, the “**Embedded Costs**”). These embedded costs will reduce the performance of the BBSMARTU. Accordingly, the BBSMARTU would underperform a similar index that did not include embedded costs and may underperform a similar index that were calculated on a total return basis.

The BBSMARTU is calculated in US dollars and published by Bloomberg L.P. under the ticker symbol “**BBSMARTU**.” The returns of Index Components which are traded in currencies other than the U.S. dollar will be converted to US dollars based on the applicable WM Reuters spot rate. The BBSMARTU was launched on January 31, 2023 and is calculated based on a base date of September 1, 2000 and a base value of 100. An index base date is the date on which an index has its base value and against which the performance of an index is measured. The level of the BBSMARTU will be rounded to four decimal places.

The level of the BBSMARTU is calculated on each trading day on which the London Stock Exchange is open for regular trading except for certain days on which lower liquidity has historically been observed (expected to be July 3rd, December 24th and December 31st). We refer to each such day on which the BBSMARTU is calculated as an “**Index Calculation Day**.” The BBSMARTU may allocate additional exposure to an Index Component or reduce exposure to an Index Component on any Index Calculation Day that is not a holiday on the exchange on which the relevant Index Component is traded (with respect to an Index Component, an “**Index Trading Day**”).

**All positions reflected in the BBSMARTU are synthetic and the BBSMARTU will not actually invest in or hold any securities or instruments. The calculation of the Index does not involve the actual execution of any transactions with respect to the Index Components (or sub-components thereof). The BBSMARTU is not an investment fund, pool or any other investment vehicle. In addition, the [Notes/Certificates] do not constitute, convey or give rise to any ownership interest in such positions and the holders of the [Notes/Certificates] will have no rights with respect to any such underlying positions. No assurance can be given that the BBSMARTU will approximate its target volatility. The Embedded Costs and fees will reduce the performance of the BBSMARTU and may adversely affect the return on your [Notes/Certificates].**

The information contained herein is a summary description of the calculation of the BBSMARTU. Additional information on the calculation of the BBSMARTU is available in the SMART Indices methodology. The SMART Indices methodology is available to potential investors upon request by emailing to [qis@bbva.com](mailto:qis@bbva.com), and the contents of the SMART Indices methodology are hereby incorporated by reference as if set forth herein. By purchasing a [Note/Certificate] you are deemed to confirm that you have been given an opportunity to review the SMART Indices methodology as well as the disclosure herein regarding the BBSMARTU.

The level of the BBSMARTU is available both on the S&P Dow Jones Indices website ([spglobal.com/spdji/en/custom-indices/bbva/bbva-smart-rc-5-index/#overview](http://spglobal.com/spdji/en/custom-indices/bbva/bbva-smart-rc-5-index/#overview)) and on the Bloomberg website ([bloomberg.com/quote/BBSMARTU:IND?embedded-checkout=true](http://bloomberg.com/quote/BBSMARTU:IND?embedded-checkout=true)). Additional information (i) on the benchmark statement of the BBSMARTU is available at [cdn.ihsmarkit.com/www/pdf/0823/BBVA\\_MULTI\\_ASSET\\_BMS\\_Index\\_Administration\\_Services\\_IAS\\_BBVA\\_Systematic\\_Multi\\_Asset\\_Regional\\_Trend\\_Index\\_Family\\_2023\\_Aug\\_22.pdf](http://cdn.ihsmarkit.com/www/pdf/0823/BBVA_MULTI_ASSET_BMS_Index_Administration_Services_IAS_BBVA_Systematic_Multi_Asset_Regional_Trend_Index_Family_2023_Aug_22.pdf) and (ii) on HIS and its policies and procedures is available at [spglobal.com/spdji/en/indices/products/benchmark-administration-uk.html](http://spglobal.com/spdji/en/indices/products/benchmark-administration-uk.html). Additionally, you may visit [bbva.info/qis](http://bbva.info/qis) or contact [qis@bbva.com](mailto:qis@bbva.com) to request additional information, including the methodology for the BBSMARTU. Information from outside sources, including the websites listed in this paragraph, is not incorporated by reference in, and should not be considered part of, this document or any accompanying prospectus or prospectus supplement. We have not independently verified any of the information herein obtained from outside sources. This document relates only to the [Notes/Certificates] offered hereby and does not relate to the BBSMARTU, the Index Components or the sub-components thereof.

### Index Components

The BBSMARTU may provide exposure to US equities, US government bonds, Japanese equities, Japanese government bonds, European equities, European government bonds and gold, each of which is represented in the BBSMARTU by one or more Index Components. The BBSMARTU may also allocate exposure to a hypothetical, non-remunerating cash account. The specific Index Components are as set forth in the below chart.

Index Components Table:

	Relevant Contract	Exchange	RIC Code	Currency
<b>US SPX Equity Futures Component</b>	The nearby E-mini S&P 500 futures contract as of the applicable rolling date.	GLOBEX	ES	US dollar
<b>US NDX Equity Futures Component</b>	The nearby E-mini Nasdaq-100 futures contract as of the applicable rolling date.	GLOBEX	NQ	US dollar
<b>US Treasury Futures Component</b>	The nearby 10-Year T-Note futures contract as of the applicable rolling date.	CBOT	TY	US dollar
<b>European Equity Futures Component</b>	The nearby Euro Stoxx 50 <sup>®</sup> Index futures contract as of the applicable rolling date.	EUREX	STXE	Euro

<b>German Bond Futures Component</b>	The nearby 10-Year Euro-Bund futures contract as of the applicable rolling date.	EUREX	FGBL	Euro
<b>Japanese Equity Futures Component</b>	The nearby SGX Nikkei 225 Index futures contract as of the applicable rolling date.	SGX	SSI	Japanese yen
<b>Japanese Bond Futures Component</b>	The nearby 10-year JGB futures contract as of the applicable rolling date.	OSE	JGB	Japanese yen
<b>Gold Component</b>	The shares of the SPDR <sup>®</sup> Gold Trust	NYSE ARCA	GLD	US dollar

The value of each Index Component, for purposes of calculating the BBSMARTU, will be based on a volume weighted average price during a short time window unless such prices are not available, in which case it will be based on the applicable last price available at the relevant time or closing price on such day.

With respect to each Index Component, we refer to a day that is not a holiday according to the calendar of its exchange as an “**Index Business Day**.” The BBSMARTU will roll each Index Component on an Index Calculation Day that is two Index Business Day prior to expiration of the current contract (a “**Roll Date**”).

As described above, an Index Trading Day is an Index Calculation Day that is not a holiday according to the holiday calendars of the exchanges listed in the above chart.

#### **Calculation of the BBSMARTU**

On each Index Calculation Day (defined below), the level of the BBSMARTU is calculated based on the level of the BBSMARTU on the immediately preceding Index Calculation Day multiplied by a performance factor. This performance factor represents the daily returns of each Index Component (adjusted to reflect the weight of each Index Component in the BBSMARTU on such day) net the Embedded Costs.

The performance factor also reflects the deduction of the Embedded Costs. With respect to each Index Component, a deduction is reflected equal to the aggregate of (i) its rolling and transaction costs, (ii) its financing costs, (iii) the daily fixed maintenance fee of 0.1% per annum (calculated on an Actual/365 basis). The financing costs for all Index Components other than the Gold Component will equal zero. The financing costs of the Gold Component on an Index Calculation Day will equal the product of (i) its weighting factor as of the preceding Index Calculation Day, (ii) a day count fraction calculated on the basis of Actual/365 and (iii) the financing rate of 0.55%. The rolling and transaction costs will be based on each Index Component’s cost factor (0.0003 with respect to the US Treasury Futures Component, the German Bond Futures Component and the Japanese Bond Futures Component and 0.0005 with respect to each other Index Component).

On an Index Calculation Day, the rolling and transaction costs with respect to an Index Component will depend on whether such day is also an Index Business Day and/or Roll Date for the Index Component.

On any Index Calculation Day that is not an Index Business Day for an Index Component, the rolling and transactions costs for the Index Component will be zero. This attempts to reflect that no transactions in the Index Component would have occurred on such day as the relevant market is not open for trading.

On a Roll Date, the rolling and transaction costs will equal the product of the Index Component's cost factor and the sum of the final weight of the Index Component on the Index Calculation Day that is both an Index Calculation Day and Index Business Day immediately preceding such day and the final weight of the Index Component on the second Index Calculation Day that is both an Index Calculation Day and Index Business Day immediately preceding such day. This calculation attempts to reflect the transaction costs of selling an existing position in the current nearby contract shortly prior to expiration and the transaction costs of purchasing a position in the next nearby contracts.

On any other Index Calculation Day, the rolling and transaction costs will equal the product of the Index Component's cost factor and the absolute value of the final weight of the Index Component on the Index Calculation Day that is both an Index Calculation Day and Index Business Day immediately preceding such day minus the final weight of the Index Component on the second Index Calculation Day that is both an Index Calculation Day and Index Business Day immediately preceding such day. This calculation attempts to reflect the transaction costs associated with the daily increase or decrease in the position in the relevant contracts as dictated by the daily increase or decrease of that Index Component's final weight in the BBSMARTU.

#### *Index Component Weightings*

Any weight not allocated to an Index Component will be "uninvested" – i.e., it will be allocated to a non-remunerating cash account – and will not earn any return.

#### *Nominal Asset Allocation*

The BBSMARTU allocates exposure to the various Index Components based on a series of indicators that compare the current prices of the Index Components with their own past medium-term prices. The BBSMARTU assumes that there is a relationship between expected returns and volatility and that this relationship is given by the medium term trend for each of the Index Components. Trend signals for most Index Components are based solely on recent prices of the relevant Index Component, however, the trend signal for the Gold Component is calculated based on a daily deduction based on the U.S. Secured Overnight Financing Rate ("SOFR").

The BBSMARTU further adjusts its exposure to the various Index Components based on changes in the level of the Cboe Volatility Index<sup>®</sup> (the "VIX Index"). The calculation of the BBSMARTU uses the VIX Index as a market risk indicator and, accordingly, reduces its exposure to the Index Components that represent equity futures in certain market environments (as identified based on the performance of the VIX Index) in order to try to reduce potential losses (which may or may not be successful). The resulting preliminary Index Component allocation is referred to herein as the Nominal Asset Allocation.

The Nominal Asset Allocation is based on the indicators described above as well as the respective base allocations, minimum allocations and maximum allocations of each Index Component and construction rules which assign relationships between the allocations of the

various Index Components in order to preserve a particular balance amongst the Index Components.

The base allocation, minimum allocation, and maximum allocation with respect to each Index Component is as set forth below:

<b>Index Component</b>	<b>Nominal Base Allocation</b>	<b>Nominal Maximum Allocation</b>	<b>Nominal Minimum Allocation</b>
US SPX Equity Futures Component	33.33%	43.33%	11.11%
US NDX Equity Futures Component	6.67%	6.67%	2.22%
US Treasury Futures Component	20.00%	56.67%	6.67%
European Equity Futures Component	13.33%	13.33%	4.44%
German Bond Futures Component	6.67%	15.56%	2.22%
Japanese Equity Futures Component	6.67%	6.67%	2.22%
Japanese Bond Futures Component	3.33%	7.78%	1.11%
Gold Component	10.00%	10.00%	0%

### *Final Weights*

The Nominal Asset Allocation is adjusted as described herein to determine the final exposure of the BBSMARTU to each Index Component.

The BBSMARTU adjusts the Nominal Asset Allocation based on the realized volatility of the Index Components. The goal of these adjustments is to achieve a target volatility of 5% for each Index Component (and, therefore, to achieve an equal risk contribution of each Index Component to the BBSMARTU). Despite the overall goal of achieving a target volatility of 5% for each Index Component, the adjustment factor for each Index Component is subject to a cap as described in greater detail in the BBSMARTU methodology.

Realized volatility is a measurement of the degree of movement in the price or value of an asset observed over a specified period. Realized volatility is calculated by specifying a measurement period, determining the average value during such measurement period and then comparing each measured point during such measurement period to such average. For example, an asset will have a higher realized volatility during a specific historical period than another asset if the asset has greater price movement (increases or decreases) relative to its average price during the measurement period. An asset with a stable price during a specific historical period will have a lower realized volatility than an asset which has relatively larger price movements during that same period. Further, an asset will have a higher realized volatility with respect to a specific measurement period if such asset has greater price movements (increases and decreases) in such measurement period as compared to the price movements of the same asset in a different measurement period.

The BBSMARTU also adjusts its exposure to the Index Components based on a measure of the realized variance of the portfolio of Index Components represented in the BBSMARTU. The realized variance of an asset is directly linked to its realized volatility. Assuming all other variables remain the same, the volatility of an asset over a particular time period is equal to the square root of its variance over the same period or, stated differently, the variance is equal to volatility squared. The variance used in the calculation of the BBSMARTU is an exponentially weighted moving average.

An exponentially weighted average is a type of weighted average that gives exponentially greater weight to historical returns calculated as of more recent days. Thus, the most recent day in the period contributes more to the historical variance than any other day in the period. The degree to which more recent historical returns have a greater effect than less recent historical returns is dictated by the "half-life", which determines the "decay factor" or "lambda", used in the calculation of historical variance. For example, if the half-life is 10, in calculating the portfolio variance, the aggregate weight assigned to the most recent 10 daily returns will be 50%, and the aggregate weight assigned to all prior daily returns will be 50%. In addition, the aggregate weight assigned to each subsequent group of 10 daily returns will be half of the aggregate weight assigned to the preceding group of 10 daily returns. The lambda used for the BBSMARTU are .94 and .97 (corresponding to half lives of approximately two weeks and one month, respectively), with adjustments determined based on the greater of the two calculated variances.

As realized volatility of the portfolio of Index Components in the BBSMARTU increases (as calculated based on the exponentially weighted moving average variance) above the target volatility of 5%, the BBSMARTU's reduces its exposure to the Index Components subject to a specified floor. As realized volatility of the portfolio of Index Components in the BBSMARTU decreases (as calculated based on the exponentially weighted moving average variance) below the target volatility of 5%, the BBSMARTU's increases its exposure to the Index Components subject to a specified cap. These adjustments are described in greater detail in the BBSMARTU methodology.

To attempt to avoid drastic daily changes in the exposure to the Index Components, a smoothing factor based on recent Nominal Asset Allocations is also applied.

### **Adjustments to the BBSMARTU; Governance and Oversight**

IHS is the index administrator of the BBSMARTU. Additional information regarding IHS, including its governance and oversight arrangements and its policies and procedures regarding market disruptions, methodology reviews, changes and cessations, adjustments to indices and errors and restatements, can be found on its website. Information from outside sources is not incorporated by reference in, and should not be considered part of, this document or any accompanying prospectus or prospectus supplement.

### **Information Regarding the Index Components**

We have derived the following information from publicly available documents. We have not independently verified the accuracy or completeness of the following information. Neither we nor any of our affiliates participates in the preparation of the publicly available documents described below, and neither we nor any of our affiliates has made any due diligence inquiry. There can be no assurance that all events occurring prior to the date hereof, including events that would affect the accuracy or completeness of the publicly available documents described

below and that would affect the prices or levels of the assets described below, have been or will be publicly disclosed. The selection of an Index Component is not a recommendation of that Index Component. Neither we nor any of our affiliates make any representation to you as to the performance of any Index Component.

### *Futures Contracts Generally*

Generally speaking, a futures contract is an agreement to buy or sell an underlying asset on a future expiration date at a price that is agreed upon today. No purchase price is paid or received on the purchase or sale of a futures contract. Instead, an amount of cash or cash equivalents must be deposited with the broker as “initial margin.” This margin deposit provides collateral for the obligations of the parties to the futures contract. If the underlying asset is worth more on the expiration date than the price specified in the futures contract, then the purchaser of that contract will achieve a gain on that contract, and if it is worth less, the purchaser will incur a loss.

The gain or loss to the purchaser of a futures contract is different from the gain or loss that could have been achieved by the direct purchase of the underlying asset. This is because a futures contract is a “leveraged” way to invest in the underlying asset. In other words, purchasing a futures contract is similar to borrowing money to buy the underlying asset, in that (i) it enables an investor to gain exposure to the underlying asset without having to pay the full cost of it up front and (ii) it entails a financing cost.

This financing cost is implicit in the difference between the spot price of the underlying asset and the futures price. A “futures price” is the price at which market participants may agree today to buy or sell the underlying asset in the future, and the “spot price” is the current price of the underlying asset for immediate delivery. The futures price is determined by market supply and demand and is independent of the spot price, but it is nevertheless generally expected that the futures price will be related to the spot price in a way that reflects a financing cost. The lower return on the futures contract as compared to the direct investment reflects this implicit financing cost. Because of this financing cost, it is possible for a purchaser to incur a loss on a futures contract even if the spot price of the underlying asset increases over the term of the futures contract. The amount of this financing cost is expected to increase as general market interest rates increase.

Futures contracts are standardized instruments that are traded on an exchange. On each trading day, the exchange determines a settlement price (which may also be referred to as a closing price) for that futures contract based on the futures prices at which market participants entered into that futures contract on that day. Open positions in futures contracts are “marked to market” and margin is required to be posted on each trading day. This means that, on each trading day, the current settlement price for a futures contract is compared to the futures price at which the purchaser entered into that futures contract. If the current settlement price has decreased from the initial futures price, then the purchaser will be required to deposit the decrease in value of that futures contract into an account. Conversely, if the current settlement price has increased, the purchaser will receive that cash value in its account. Accordingly, gains or losses on a futures contract are effectively realized on a daily basis up until the point when the position in that futures contract is closed out.

Because futures contracts have expiration dates, one futures contract must be rolled into another if there is a desire to maintain a continuous position in futures contracts on a particular underlying asset. This is typically achieved by closing out the position in the existing futures

contract as its expiration date approaches and simultaneously entering into a new futures contract (at a new futures price based on the futures price then prevailing) with a later expiration date.

At any time prior to the expiration of a futures contract, a trader may elect to close out its position by taking an opposite position on the exchange on which the trader obtained the position, subject to the availability of a liquid secondary market. This operates to terminate the position and fix the trader's profit or loss. Futures contracts are cleared through the facilities of a centralized clearing house and a brokerage firm that is a member of the clearing house. Futures exchanges may adopt rules and take other actions that affect trading, including imposing speculative position limits, maximum price fluctuations and trading halts and suspensions and requiring liquidation of contracts in certain circumstances.

#### *E-Mini S&P 500 Futures Contracts*

The E-mini S&P 500 futures contracts are U.S. dollar-denominated futures contracts, based on the S&P 500<sup>®</sup> Index, traded on the Chicago Mercantile Exchange (“CME”), representing a contract unit of \$50 multiplied by the S&P 500<sup>®</sup> Index, measured in cents per index point. The E-mini S&P 500 futures contracts listed for the nearest nine quarters, for each March, June, September and December, and the nearest three Decembers are available for trading. Trading of the E-mini S&P 500 futures contracts terminates at 9:30 A.M. Eastern time on the third Friday of the contract month. The daily settlement prices of the E-mini S&P 500 futures contracts are based on trading activity in the relevant contract (and in the case of a lead month also being the expiry month, together with trading activity on lead month-second month spread contracts) on the CME during a specified settlement period. The final settlement price of E-mini S&P 500 futures contracts is based on the opening prices of the component stocks in the S&P 500<sup>®</sup> Index, determined on the third Friday of the contract month.

#### *E-Mini Nasdaq-100 Futures Contracts*

E-mini<sup>®</sup> Nasdaq-100 futures are U.S. dollar-denominated futures contracts on the Nasdaq-100 Index<sup>®</sup> traded on the CME, where each futures contract references a value of \$20 times the level of the Nasdaq-100 Index<sup>®</sup>, measured in U.S. dollars and cents per index point. E-mini<sup>®</sup> Nasdaq-100 futures listed for the nearest five quarters, for each March, June, September and December, and the nearest four Decembers are available for trading. Trading of the E-mini<sup>®</sup> Nasdaq-100 futures will terminate at 9:30 A.M. Eastern time on the third Friday of the contract month. The daily settlement prices of the E-mini<sup>®</sup> Nasdaq-100 futures are based on trading activity in the relevant contract (and in the case of a lead month also being the expiry month, together with trading activity on lead month-second month spread contracts) on the CME during a specified settlement period. The final settlement price of the E-mini<sup>®</sup> Nasdaq-100 futures is based on the opening prices of the component stocks in the Nasdaq-100 Index<sup>®</sup>, determined on the third Friday of the contract month.

#### *U.S. Treasury Note Futures Contracts*

10-Year U.S. Treasury Note futures contracts are U.S. dollar-denominated futures contracts (a “**10-year T-note futures contract**”), traded on the CME, with a face value at maturity of \$100,000 per contract that require on the delivery day the delivery of debt securities issued by the U.S. government with a remaining term to maturity of at least six and a half years, but not more than seven and three quarters years, from the first day of the delivery month. 10-year T-note futures contracts listed for the nearest three quarters, for each March, June, September and



December are available for trading. Trading of the 10-year T-note futures contracts will terminate at 12:01 P.M. Central time 7 business days prior to the last business day of the contract month. 10-year T-note futures contracts are delivered upon expiration through the Federal Reserve book-entry wire-transfer system. Delivery occurs on the last business day of the delivery month. The daily settlement prices of 10-year T-note futures contracts are based on trading activity in the relevant contract (and in the case of a lead month also being the expiry month, together with trading activity on lead month-second month spread contracts) on the CME during a specified settlement period. The final settlement price of 10-year T-note futures contracts is the VWAP of trades on CME Globex between 12:00 P.M. Central time and 12:01 P.M. Central time, on the expiring contract's last day of trading. If a VWAP is not available due to an absence of trades, then the most recent spread trade is applied to the lead month settlement price. If there are no trades in the lead month-expiry month calendar spread, then the prior-day is used.

#### *EURO STOXX 50<sup>®</sup> Index Futures Contracts*

EURO STOXX 50<sup>®</sup> Index futures are euro-denominated futures contracts on the EURO STOXX 50<sup>®</sup> Index traded on the Eurex Exchange (“**Eurex**”), where each futures contract references a value of €10 times the level of the EURO STOXX 50<sup>®</sup> Index, measured in euros per index point. EURO STOXX 50<sup>®</sup> Index futures listed for the nearest three quarters, for each March, June, September and December, are available for trading. Trading of the EURO STOXX 50<sup>®</sup> Index futures will terminate at 12:00 Central European time on the third Friday of the contract month. The daily settlement prices of the EURO STOXX 50<sup>®</sup> Index futures for the current maturity month are derived from the volume-weighted average of the prices of all transactions during the minute before 17:30 Central European time, provided that more than five trades transacted within this period. For the remaining maturity months, the daily settlement price for a contract is determined based on the average bid/ask spread of the combination order book. The final settlement price of the EURO STOXX 50<sup>®</sup> Index futures is established by Eurex on the final settlement day of the contract and is based on the average of the respective STOXX<sup>®</sup> Index values calculated between 11:50 and 12:00 Central European time.

#### *Euro-Bund Futures Contracts*

10-Year Euro-Bund futures are euro-denominated futures contracts (a “Euro-Bund futures contract”) traded on Eurex, with a face amount of 100,000 euros per contract, that require on the delivery day the delivery of debt securities issued by the Federal Republic of Germany with a remaining term of 8.5 to 10.5 years and a standardized coupon of 6%. The delivery day is the tenth calendar day of the relevant expiry month unless that day is a non-exchange day, in which case, the delivery day is the exchange day immediately succeeding that day. Euro-Bund futures contracts with expiry months falling in the three nearest quarterly months of March, June, September and December are available for trading. The daily settlement prices for the current expiry month is derived from the volume-weighted average of the prices of all transactions during the minute before 17:15 Central European time, provided that more than five trades transacted within this period. For the remaining expiry months, the daily settlement price for a Euro-Bund futures contract is determined based on the average bid/ask spread of the combination order book. The final settlement price of the Euro-Bund futures contracts is established by Eurex on the final settlement day at 12:30 P.M. Central European time based on the volume-weighted average price of all trades during the final minute of trading provided that more than 10 trades occurred during this minute; otherwise, the volume-weighted average price

of the last 10 trades of the day, provided that these are not older than 30 minutes. If such price cannot be determined, or does not reasonably reflect the prevailing market conditions, Eurex will establish the final settlement price.

#### *Nikkei 225 Index Futures Contracts*

Nikkei 225 Index futures are Japanese yen-denominated futures contracts on the Nikkei 225 Index traded on the Singapore Exchange (“**SGX**”), where each futures contract references a value of ¥500 times the level of the Nikkei 225 Index, measured in Japanese yen per index point. Nikkei 225 Index futures listed for the nearest 6 months and nearest 32 quarterly months are available for trading. Trading of the Nikkei 225 Index futures will terminate on the Japanese business day immediately preceding the second Friday of the contract month. The final settlement price of the Nikkei 225 Index futures is established by SGX based on the “Special Nikkei 225 Index Quotation” which is typically based on the opening prices of each component issue in the Nikkei 225 Index on the business day following the last trading day.

#### *JGB Futures Contracts*

10-year JGB futures are Japanese yen-denominated futures contracts (a “**JGB futures contract**”) traded on the Osaka Exchange (“**OSE**”), with a face amount of ¥100,000,000 contract, that require on the delivery day the delivery of debt securities issued by the Japanese government with a remaining term of 7 to 11 years and a standardized coupon of 6%. JGB futures contracts with expiries in the nearest three months in the quarterly cycle of March, June, September and December are available for trading. Trading of a JGB futures contract will terminate on the fifth business day prior to each delivery date, which is the 20th day of each contract month unless that day is a non-business day, in which case it will be moved down accordingly. The amount to be paid or received at delivery is determined on the basis of the final settlement price on the last trading day of the JGB futures contract. While JGB futures contracts are based on the 6% coupon, any eligible Japanese government bonds may be delivered. As each eligible bond has a different coupon, maturity and consequently value, the value must be adjusted for delivery using conversion factors to reflect the contract standard at the established settlement price. Conversion factors are calculated, according to a formula set out in OSE's rules, on the basis of a semi-annually compounded interest rate. OSE provides conversion factor tables in advance, and the conversion factor for each deliverable bond is announced along with a list of deliverable bonds for each contract month.

#### *SPDR<sup>®</sup> Gold Trust (“GLD”)*

The SPDR<sup>®</sup> Gold Trust is an investment trust sponsored by World Gold Trust Services, LLC (the “Sponsor”). BNY Mellon Asset Servicing, a division of The Bank of New York Mellon, is the trustee of the GLD (the “Trustee”), and HSBC Bank plc is the custodian of the GLD (the “Custodian”). The GLD trades on NYSE Arca, Inc. under the ticker symbol “GLD.” Information about the SLV filed with the SEC can be found by reference to its SEC file numbers: 333-267520 and 001-32356 or its CIK Code: 0001222333.

The GLD seeks to reflect generally the performance of the price of gold before the payment of GLD’s expenses and liabilities. The assets of the GLD consist primarily of gold held by the Custodian on behalf of the GLD. The GLD issues shares in exchange for deposits of gold and distributes gold in connection with the redemption of shares. The shares of the GLD are intended to constitute a simple and cost-effective means of making an investment similar to an investment in gold.

The GLD is not actively managed. The GLD does not engage in any activity designed to derive a profit from changes in the price of gold. The SLV's only ordinary recurring expense is expected to be the Sponsor's fee, which accrues daily at an annualized rate equal to 0.40% of the net asset value of the GLD. The Trustee will, when directed by the Sponsor, and, in the absence of such direction, may in its discretion, sell gold in such quantity and at such times as may be necessary to permit payment of the Sponsor's fee and of GLD expenses or liabilities not assumed by the Sponsor. As a result of the recurring sales of gold necessary to pay the Sponsor's fee and the GLD expenses or liabilities not assumed by the Sponsor, the amount of gold per share of the GLD will decrease over time.