

# Jefferies Global Clean Technology Composite Index<sup>SM</sup> Summary Methodology

## Eligibility Criteria

(all criteria must be satisfied as of the Reconstitution Reference Date in order to be included in the index)

- Eligible Companies and Securities: All publicly listed equity securities except:
  - o Excluded Companies/Entities: Real estate investment trusts, close-ended funds, unit investment trusts and limited partnerships
  - o Excluded Securities: Preferred and convertible preferred stock, redeemable shares, participating preferred stock, warrants and rights, trust receipts, bulletin board and pink sheet securities

- Market Cap Rule: Full market capitalization must exceed \$50m

- Liquidity Rule: Must have:
  - o 12-month value traded: > USD\$50m; and
  - o Shares traded over the past 12 months divided by free float shares outstanding: >.3

For companies without 12 months of trading history as of reconstitution, the Liquidity Rule will apply to the annualized value-traded and share turnover amounts, provided that the companies have at least 1 month of trading history as of the reconstitution. Companies with <1 month of trading history will be excluded from the index.

- Clean Technology Sector Rule: Must be a Clean Technology company as defined in consultation with Jefferies equity research, based on a general guideline that Clean Technology companies must derive a minimum of 50% of revenues from a Clean Technology source (including but not limited to solar, wind, fuel cells, microturbines, battery technology, biofuels, bio-based materials, enabling enzymes & catalysts, water filtration and purification).

## Index Construction

- Weightings: Weighted by free-float-adjusted market capitalization, as calculated according to S&P's standard

methodology<sup>1</sup> with maximum weighting of 10% for any one stock as of rebalancing.

- Calculation: Calculated according to S&P's standard methodology for U.S. indices.<sup>2</sup>
  - o Foreign Currency Translation: All inputs to index calculations will be translated into U.S. Dollars using WM/Reuters London 4PM exchange rates.

## Index Maintenance

- Reconstitution: Annually on the third Friday of the last month of each calendar year, using data as of a Reference Date that is the last day of the month prior to Reconstitution.
  - o Meaningful IPOs or spin-offs will be considered for inclusion between reconstitutions for those stocks that Jefferies equity research expects will satisfy the Eligibility Criteria above.
- Rebalancing: Quarterly, on the third Friday of the last month of each calendar quarter, using the most recent data available
- Share Updates: Changes in a company's shares outstanding are made according to S&P's standard methodology for U.S. indices.<sup>3</sup>
- Adjustment for Corporate Actions: Corporate actions are applied to index membership according to S&P's standard methodology for U.S. indices.<sup>4</sup>

## Index Data

- Base Date / Value: The base date is 12/31/2003, with a base value of 100.
- Calculation Frequency: Index values are calculated daily.
- Publication: Index values are published on Jefferies' website ([www.jefferies.com](http://www.jefferies.com)) and on Bloomberg under the identifiers JEFICTCP (index price) and JEFICTCT (total return)

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<sup>1</sup> [www.sandp.com/indices](http://www.sandp.com/indices), section "Index Methodology," documents "Free Float Methodology" and "Index Mathematics"

<sup>2</sup> [www.sandp.com/indices](http://www.sandp.com/indices), section "Index Methodology," documents "S&P U.S. Indices Methodology" and "Index Mathematics"

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

- Series Provided: Price Return and Total Return index series are provided, and are calculated according to S&P's standard methodology for U.S. indices.<sup>5</sup> Total Return values include ordinary and special dividends.

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<sup>5</sup> Ibid.