

Rules for the Construction and Maintenance of the
**NASDAQ-100 Leveraged, 3x Leveraged & 3x
Inverse Indexes**

Version as of November 3, 2025



Table of Contents

1.	Rules for the Construction and Maintenance of the NASDAQ-100 Leveraged & Short Indexes..	3
1.1	General Description	3
1.2	Index Rules for the Underlying Index.....	3
1.3	The Index Formula.....	3
1.3.1	Index Parameters	4
1.3.2	NASDAQ-100 Leveraged and Short Indexes	5
1.3.3	Suspension of Calculation and Dissemination of Leverage Index.....	6
1.3.4	Calculation and Dissemination Frequency.....	6
1.4	Discretionary Adjustments.....	6
1.5	Limitations of liability	6
1.6	Appendix.....	7
1.6.1	Methodology Change Log	7

1. Rules for the Construction and Maintenance of the NASDAQ-100 Leveraged & Short Indexes

1.1 General Description

The NASDAQ-100 Leveraged and Short indexes have been constructed with the objective of creating an index to reflect a strategy that aims to produce leverage to the daily return of the Underlying Index with financing costs embedded in the performance of the index.

As the Underlying Index is the NASDAQ-100, this set of rules is also based on the “NASDAQ-100 Index Methodology” which in its entirety also is applicable on the NASDAQ-100 leveraged long and short indexes. This document therefore refers to those index rules in most cases with the exception for the index specific rules associated with the leverage characteristics of the NASDAQ-100 leveraged long and short indexes.

The long version is made up of the combination of an investment aiming to replicate a long position on the NASDAQ-100 Index with an increased exposure and borrowing at a given interest rate.

The short version is made up of the combination of an investment aiming to replicate a short position on the NASDAQ-100 Index with a short exposure and additional monetary gain at a given interest rate.

1.2 Index Rules for the Underlying Index

See the “NASDAQ-100 Index Methodology”.

1.3 The Index Formula

The formula for calculating the leveraged and short indexes is:

$$I_t = (I_{t-1}) * (1.0 + U + R)$$

For 3x Inverse Indexes:

I_t = Current value of the leverage index

I_{t-1} = Last closing value of the leverage index

and

$$U = (C - 1.0) * LF$$

$$C = \frac{X_t}{X_{t-1}}$$

X_t = Current value of underlying index

X_{t-1} = Last closing of the underlying index

$$R = (r_{t-1} * Interest\ Factor + SBR * Interest\ Factor) * \frac{d}{360}$$

$$Interest\ Factor = 1 - LF$$

LF = Leverage Factor

r_{t-1} = Fed Funds Effective Rate at the previous calculation date

d = number of calendar days between the day of the calculation and the previous calculation date

SBR = The Short Borrowing Rate = -0.25%

For Long Indexes:

I_t = Current value of the leverage index

I_{t-1} = Last closing value of the leverage index

and

$$U = (C - 1.0) * LF$$

$$C = \frac{X_t}{X_{t-1}}$$

X_t = Current value of underlying index

X_{t-1} = Last closing of the underlying index

$$R = (r_{t-1} * \text{Interest Factor} + \text{SPR} * \text{Interest Factor}) * \frac{d}{360}$$

$$\text{Interest Factor} = 1 - LF$$

LF = Leverage Factor

r_{t-1} = Fed Funds Effective Rate at the previous calculation date

d = number of calendar days between the day of the calculation and the previous calculation date

SPR = Liquidity Spread = 0.50%¹

1.3.1 Index Parameters

The leveraged and short indexes are calculated and disseminated on the same day as the Underlying Indexes. The calculation frequency for the leveraged and short indexes is equal to frequency of the Underlying Index. If the Underlying Index is suspended or not available for a period of time, the leveraged and short indexes will be suspended until Underlying Index is available.

The liquidity spread reflects the financing cost over the Fed Funds Effective rate.

¹ If and when the combination of the variable Fed Funds Effective Rate and the fixed SPR of 50 basis points or the fixed SBR of -25 basis points, deviates meaningfully from market conditions, and/or fails to properly reflect the cost of leverage experienced by passive investors, Nasdaq may choose to adjust the respective index methodologies accordingly.

1.3.2 NASDAQ-100 Leveraged and Short Indexes

Index	Underlying Index	Symbol	Leverage Factor	Base Date	Base Value	Currency
NASDAQ-100 3x Leveraged Index	NASDAQ-100	NDXL3	+3	10/19/2012	10,000.00	USD
NASDAQ-100 3x Leveraged Notional Net Total Return Index	NASDAQ-100 Notional Net Total Return Index	XNDXNNRL3	+3	10/19/2012	10,000.00	USD
NASDAQ-100 3x Leveraged Total Return Index	NASDAQ-100 Total Return	XNDXL3TR	+3	12/11/2017	1,000.00	USD
NASDAQ-100 Leveraged Index	NASDAQ-100	NDXL	+2	11/18/2009	1,000.00	USD
NASDAQ-100 Leveraged Notional Net Total Return Index	NASDAQ-100 Notional Net Total Return Index	XNDXNNRL	+2	12/21/2011	1,415.17	USD
NASDAQ-100 Leveraged Total Return Index	NASDAQ-100 Total Return	XNDXL	+2	12/11/2017	1,000.00	USD
NASDAQ-100 3x Inverse Index	NASDAQ-100	NDXS3	-3	10/19/2012	10,000.00	USD
NASDAQ-100 3x Inverse Total Return Index	NASDAQ-100 Total Return	XNDXS3	-3	10/19/2012	10,000.00	USD

Index	Underlying Index	Symbol	Leverage Factor	Base Date	Base Value	Currency
NASDAQ-100 3x Inverse Notional Net Total Return Index	NASDAQ-100 Notional Net Total Return Index	XNDXNRS3	-3	12/11/2017	1,000.00	USD

1.3.3 Suspension of Calculation and Dissemination of Leverage Index

In order to handle extreme market movements, the leveraged indexes have been equipped with protection towards very large differences in the current index value in comparison to the previous trading day's closing index value.

The total daily loss in leverage index is limited to 50% and the test of this is made intra-day. In this case the leverage index will be suspended and the value to be considered as the index closing value for that calculation day.

In the event an Index is suspended intra-day, an announcement will be made to inform clients of this change through the Nasdaq Global Index Watch (GIW) website. The announcement will be issued as soon as practicable, but it would not be sent out prior to the suspension taking place; by definition the Index has to be automatically stopped once the limit is reached.

1.3.4 Calculation and Dissemination Frequency

The Indexes are calculated and disseminated during the trading day once per second from 09:30:01 to 17:16:00 Eastern Time (ET). The closing value of the Indexes may change up until 17:15:00 ET due to corrections to the closing value of the Underlying Indexes.

1.4 Discretionary Adjustments

Nasdaq may, from time to time, exercise reasonable discretion as it deems appropriate to ensure Index integrity.

1.5 Limitations of liability

Nasdaq shall not be liable for any direct, indirect, incidental, special or consequential damages or lost profits related to or arising out of the use of the index. Nasdaq expressly disclaims all warranties of accuracy, completeness, merchantability or fitness for any particular purpose, with respect to the index. Neither Nasdaq nor any third party make any warranty or representation whatsoever, express or implied, in respect of the index, the results to be obtained by the use thereof or the value of the index at any given time.

1.6 Appendix

1.6.1 Methodology Change Log

Effective Date	Methodology Section	Previous	Updated
November 3, 2025	1.3 The Index Formula: For 3x Inverse Indexes	$R = (r_{t-1} * Interest\ Factor + SBR * LF) * \frac{d}{360}$	$R = (r_{t-1} * Interest\ Factor + SBR * Interest\ Factor) * \frac{d}{360}$ <i>Note: In the index formula for R, the variable LF has been replaced with Interest Factor.</i>
November 3, 2025	1.3 The Index Formula: For Long Indexes	SPR = Liquidity Spread = 1.10%	SPR = Liquidity Spread = 0.50%
January 2, 2025	1.3 The Index Formula: For Long Indexes	SPR = Liquidity Spread = 0.50%	SPR = Liquidity Spread = 1.10%
June 1, 2023	1.3 The Index Formula: For Long Indexes	SPR _{t-1} = Liquidity Spread = 1Y Long term rate (LIBOR 1Y) - 1Y capitalized Overnight swap rate (Swap OIS vs 1Y)	SPR = Liquidity Spread = 0.50% ¹ ¹ If and when the combination of the variable Fed Funds Effective Rate and the fixed SPR of 50 basis points or the fixed SBR of -25 basis points, deviates meaningfully from market conditions, and/or fails to properly reflect the cost of leverage experienced by passive investors, Nasdaq may choose to adjust the respective index methodologies accordingly.