

DATED: 5 February 2020

Amended and Restated Portfolio Administration Agreement

between

Leverage Shares Public Limited Company
as Issuer

Apex Corporate Trustees (UK) Limited
as Trustee

Interactive Brokers LLC
as Custodian

and

Interactive Brokers (UK) Limited
as Portfolio Administrator

relating to

The Issuer's programme for the issuance of collateralised exchange traded securities (the "Programme")

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THIS AGREEMENT is dated 5 February 2020 and made

BETWEEN:

- (1) **LEVERAGE SHARES PUBLIC LIMITED COMPANY**, a public limited company incorporated under the laws of Ireland having its registered office at 2nd Floor, Block 5, Irish Life Centre, Abbey Street Lower, Dublin 1, D01 P767, Ireland, (the “**Issuer**”);
- (2) **APEX CORPORATE TRUSTEES (UK) LIMITED**, of 6th Floor, 125 Wood Street, London EC2V 7AN as trustee (the “**Trustee**”, which expression shall, wherever the context so admits, include all other persons or companies for the time being the trustee or trustees under the Trust Deed) for the Secured Creditors;
- (3) **INTERACTIVE BROKERS LLC** of One Pickwick Plaza, Greenwich, CT 0683082, USA as custodian (the “**Custodian**”, which expression includes any successor custodian appointed under the Margin Account Agreement); and
- (4) **INTERACTIVE BROKERS (UK) LIMITED** of Level 20 Heron Tower, 110 Bishopsgate, London EC2N 4AY as portfolio administrator (the “**Portfolio Administrator**”, which expression includes any successor portfolio administrator appointed hereunder).

THE PARTIES AGREE AS FOLLOWS:

1. Background

- 1.1 The Issuer has appointed the Custodian in relation to each of the Series of ETP Securities in respect of which the Issuer, Interactive Brokers (UK) Limited as Margin Loan Provider and Interactive Brokers LLC as Custodian enter into a confirmation of appointment in the form set out in Annex 2 to the Margin Account Agreement dated 5 December 2017 in respect of the Programme between the Issuer, Interactive Brokers (UK) Limited and Interactive Brokers LLC.
- 1.2 This Portfolio Administration Agreement (i) sets out the terms on which Interactive Brokers (UK) Limited agrees to act as Portfolio Administrator in respect of Series of ETP Securities under the Programme and (ii) sets out the additional terms on which Interactive Brokers LLC agrees to act as Custodian in respect of Series of ETP Securities under the Programme.
- 1.3 This Amended and Restated Portfolio Administration Agreement (the “**Portfolio Administration Agreement**”) amends and restates the Portfolio Administration Agreement dated 5 December 2017 in respect of the Programme.

2. Interpretation

2.1 Capitalised Terms

Capitalised terms used in this Agreement but not otherwise defined shall have the meanings given to them in the Master Definitions Schedule dated the date hereof (as amended, supplemented and/or replaced from time to time) relating to the Programme.

2.2 References to Statutes, etc.

All references in this Agreement to any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof of any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

2.3 References to other Documents, etc.

All references in this Agreement to any agreement (including this Agreement) deed or other document, shall refer to such agreement, deed or other document as the same may be amended, supplemented or modified from time to time.

2.4 References to Clauses, Paragraphs and Schedules

In this Agreement references to clauses, paragraphs and schedules shall, unless the context otherwise requires, be construed as references to the clauses, schedules and paragraphs of this Agreement.

3. Additional duties of the Custodian

The terms of this Clause 3 shall apply in respect of each Series of ETP Securities in respect of which the Issuer and the Portfolio Administrator enter into a Confirmation in accordance with Clause 4.1 and are supplemental to the terms of the Margin Account Agreement. To the extent that there is any conflict between the Margin Account Agreement and this Portfolio Administration Agreement, the Portfolio Administration Agreement shall prevail.

3.1 Margin Account/Collateral Assets

- (A) Unless instructions from the Issuer require another location acceptable to the Custodian:
- (1) Collateral Assets shall be held by the Custodian on behalf of the Issuer in a Margin Account in the country or jurisdiction in which the principal trading market for the relevant Collateral Assets is located;
 - (2) Any Collateral Assets in a Margin Account shall be held by the Custodian on behalf of the Issuer; and
 - (3) Any cash arising in respect of Collateral Assets shall be transferred to and held in the relevant Margin Account by the Custodian on behalf of the Issuer.
- (B) The Custodian will identify in its books that the Collateral Assets belong to the Issuer (save as otherwise agreed by the Custodian and the Issuer) separate and apart from the assets of any other person, including, without limitation, the Custodian or any Sub-Custodian, and will identify that such assets are being held subject to this Agreement and the security constituted by the Trust Deed.

3.2 Custodial Duties

- (A) Subject to Clause 3.2(B), in the absence of contrary instructions, the Custodian is instructed and authorised by the Issuer to, and where applicable, the Custodian shall, carry out the following actions on behalf of the Issuer in relation to the Collateral Assets:
- (1) collect and receive, for the account of the Issuer (subject to the security created by the Trust Deed), all Distributions in respect of the Collateral Assets and any security or property offered or delivered in exchange for any Collateral Assets;

- (2) make presentation of interest items and receipts and other principal items or presentation for payment, conversion or exchange of any Collateral Assets which become payable or convertible or exchangeable and the endorsement for collection of cheques, drafts and other negotiable instruments;
 - (3) save to the extent provided below in Clause 3.3(B), take any action which is necessary and proper in connection with the receipt of Distributions or security or property as referred to in paragraph (2) above; and
 - (4) forward to the Issuer and the Trustee (on the Issuer's behalf) all notices received in respect of the Collateral Assets promptly following receipt thereof.
- (B) Prior to the first Issue Date, the Portfolio Administrator shall prepare and execute on behalf of the Issuer a United States tax Form W-8BEN-E claiming a reduction in the rate of United States dividend withholding tax from 30% to 15% under the Ireland-United States double tax treaty. The Portfolio Administrator shall provide such completed Form W-8BEN-E to the Custodian with a copy to the Issuer. Following receipt of such Form W-8BEN-E the Custodian shall apply United States dividend withholding tax in respect of Collateral Assets located in the United States at the rate of 15% (subject to any subsequent change in law or in such treaty) in relation to dividends received in respect of Collateral Assets located in the United States.
- (C) In the event that any other person is appointed to act as custodian for the Issuer in respect of the Programme or any Series thereunder in addition to or in place of the Custodian, the Portfolio Administrator shall similarly prepare and execute on behalf of the Issuer a United States tax Form W-8BEN-E claiming a reduction in the rate of United States dividend withholding tax from 30% to 15% under the Ireland-United States double tax treaty, and provide a copy of such Form W-8BEN-E to such other person.
- (D) In the event that the Collateral Assets for any Series consist of or include shares in any company incorporated in any jurisdiction other than the United States, the Portfolio Administrator, the Custodian and the Issuer shall cooperate, using reasonable efforts, to take any action or steps or complete any procedural formalities necessary or desirable to enable the Issuer to receive dividends on such Collateral Assets free of dividend withholding tax or subject to a reduced rate of dividend withholding tax.
- (E) In the event that the Custodian becomes aware of any deduction or withholding for or on account of Tax applicable to any Collateral Assets held by the Custodian on behalf of the Issuer and/or any payments thereon, in each case other than United States dividend withholding tax at the rate of 15%, the Custodian shall promptly notify the Issuer and the Portfolio Administrator.
- (F) The Custodian shall not be liable to the Issuer, the Trustee or any other party to this Agreement in respect of (i) any Tax payable by the Issuer by reference to the Issuer's income, profits or gains; (ii) any stamp duty, registration or similar Tax payable in respect of the Issuer's acquisition, disposal or holding of Collateral Assets; or (iii) any other Tax incurred by the Custodian in relation to acting as custodian of the Collateral Assets or the performance of its duties under this Agreement (other than any Tax calculated by reference to the profits or net income of the Custodian), and the Issuer shall indemnify the Custodian in respect of any such Tax referred to in (i), (ii) or (iii) above other than any Tax which would not have arisen but for any fraud, bad faith, wilful misconduct or gross negligence

of the Custodian or any breach by the Custodian of this Agreement or the Margin Account Agreement.

3.3 Segregation, Registration and other Actions

- (A) The Custodian shall procure that the Collateral Assets credited to it or deposited with it are held in safe custody for the account of the Issuer subject to the security created by the Trust Deed and are kept in an account recorded on its books separately from any securities otherwise held by it and any of its other property.
- (B) The Custodian covenants with the Issuer, the Portfolio Administrator and the Trustee that it will not exercise any rights and remedies in its capacity as a holder of the Collateral Assets (in particular it will not attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to rights or benefits (or any part thereof) under the Collateral Assets or give any consent, waiver, indulgence, time or ratification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any security forming part of the Collateral Assets) other than as specifically contemplated in the Margin Account Agreement, except as directed in writing by the Portfolio Administrator or (following enforcement of the security over the Collateral Assets) the Trustee.

3.4 Withdrawal and Delivery

Subject to the terms of this Agreement, the Custodian may at any time be requested to release all or any part of the Collateral Assets in the Margin Account provided that release and/or delivery of any of the Collateral Assets will be made only upon receipt of and in accordance with the specific instructions from the Portfolio Administrator (or, where the Security constituted by the Trust Deed has become enforceable, from the Trustee) and without undue delay at such location as may be reasonably specified at the expense of the Issuer; provided that if the Custodian has effected any transaction in accordance with instructions received and not cancelled or superseded prior to the Custodian effecting such transaction, the settlement of which is likely to occur after a withdrawal pursuant to this Clause 3.4 (*Withdrawal and Delivery*), then the Custodian shall be entitled in its absolute discretion to close out or complete such transaction.

3.5 Scope of Responsibility

The Custodian undertakes that, following the commencement of any liquidation (or other analogous proceedings) affecting any Sub-Custodian or upon such proceedings being threatened or pending, it shall promptly take such action and do all such things as the Issuer or, as the case may be, the Trustee may require in order to enforce any rights the Custodian may have against the Sub-Custodian or third party, to prove in any liquidation of such Sub-Custodian or third party and/or to take any other steps as may be reasonably necessary or desirable in order to preserve and protect the interests of the Issuer and the Trustee in the Collateral Assets; provided that the Custodian shall not be required to take any such action unless it has been indemnified and/or secured to its satisfaction in respect of any claims, losses, liabilities, costs or expenses which it may properly incur in connection with any such action.

4. Powers and Duties of the Portfolio Administrator

4.1 Appointment and Authority

(A) Appointment

The Issuer appoints the Portfolio Administrator to act as Portfolio Administrator in relation to each of the Series of ETP Securities in respect of which the Issuer and the Portfolio Administrator enter into a confirmation of appointment in the form set out in Schedule 1 hereto (each such confirmation of appointment, a “**Confirmation**”) to perform the services set out herein.

Upon entering into a Confirmation, the Portfolio Administrator shall be deemed to acknowledge and agree that the obligations purported to be imposed on the Portfolio Administrator in the Final Terms in relation to the relevant Series of ETP Securities shall apply to the Portfolio Administrator. To the extent that there is any conflict between this Agreement and the relevant Final Terms, the relevant Final Terms shall prevail.

The Portfolio Administrator (and any of its successors) shall in all material aspects undertake and perform its duties under Clauses 4.2(A), 4.2(B), 4.2(C), 4.2(D) and 4.2(F) by delegation of such duties to Affiliates located in the United States and shall ensure that such Affiliates shall perform such duties in and from business establishments in the United States but not in any other jurisdiction using staff located in the United States but not in any other jurisdiction. If and in so far as part or all of the duties of the Portfolio Administrator under Clauses 4.2(A), 4.2(B), 4.2(C), 4.2(D) and 4.2(F) are performed by such Affiliates located in the United States by algorithmic or other automated processes, the software applying such algorithmic or other automated processes shall in all material aspects be located on servers located in the United States but not any other jurisdiction and such processes shall be designed, implemented, monitored and maintained by staff located in the United States but not any other jurisdiction. For the avoidance of doubt, any decision by the Portfolio Administrator on behalf of the Issuer or any conclusion or execution of any contract or transaction by the Portfolio Administrator on behalf of the Issuer shall be treated as material for the purposes of this clause 4.1(A) and accordingly the Portfolio Manager shall take any such actions by delegation to Affiliates located in the United States which take such actions in and from business establishments in the United States using staff located in the United States and/or algorithmic or automated process located on servers in the United States and designed implemented and monitored by staff located in the United States.

(B) Authority

The Portfolio Administrator’s duties and authority to act as Portfolio Administrator hereunder are limited to the duties and authority specifically provided for in this Agreement, in the Customer Agreement and in the Final Terms in relation to the relevant Series of ETP Securities in respect of which the Portfolio Administrator and the Issuer have entered into a Confirmation. The Portfolio Administrator shall not be deemed to assume the obligations of the Issuer under the Notes, the Trust Deed or any other documents or agreement to which the Issuer is a party. In addition, the Portfolio Administrator shall not be held liable for any omission or for any failure to adequately fulfil its duties or responsibilities hereunder as a result of not having been provided with the appropriate information necessary for the performance of such duties or responsibilities by any other party to a Transaction Document (excluding Affiliates of the Portfolio Administrator or the Portfolio Administrator acting in a different capacity) having requested such information in writing in reasonable time.

(C) Portfolio Administrator to act for Trustee

At any time after the Security constituted by the Security Documents has become enforceable in accordance with the Terms and Conditions of the ETP Securities, the Trustee may, by notice in writing to the Issuer and Portfolio Administrator, require the Portfolio Administrator, so far as permitted by any applicable law or by any regulation having general application until notified by the Trustee to the contrary to:

- (1) act thereafter as Portfolio Administrator on behalf of the Trustee in relation to all powers and duties of the Portfolio Administrator otherwise owing to the Issuer in respect of the Collateral Assets pursuant to this Agreement *mutatis mutandis* on the terms provided in this Agreement (save that the Trustee's liability under any provisions herein contained for the indemnification, remuneration and expenses of the Portfolio Administrator shall be limited to the amounts for the time being held by the Trustee on the terms of the Trust Deed and available for the purpose); and/or
- (2) deliver up all moneys, documents and records held by it in respect of the Collateral Assets to the Trustee or as the Trustee shall direct in such notice provided that such notice shall not apply to any document or record which the Portfolio Administrator is obliged not to release by applicable law or regulation.

4.2 Duties of the Portfolio Administrator

The Issuer hereby directs and authorises the Portfolio Administrator to perform, and the Portfolio Administrator hereby agrees to perform, the following actions and duties on behalf of the Issuer in respect of each of the Series of ETP Securities in respect of which it is appointed, in each case in accordance with the Operating Procedures Agreement where appropriate:

(A) The Portfolio Administrator shall:

- (1) draw down on the Margin Loan and borrow funds from the Margin Loan Provider under the Margin Loan, to achieve the Leverage Factor applicable in respect of the relevant Series of ETP Securities and place the proceeds of such drawdown into the relevant Margin Account; and
- (2) apply the cash amounts standing to the credit of each such Margin Account (including the proceeds of any drawdown on the Margin Loan pursuant to (1) above) in purchasing Collateral Assets in order to replicate, in respect of the relevant Series (in so far as practicable) the performance of the relevant Index multiplied by the applicable Leverage Factor, and place any such purchased Collateral Assets in the relevant Margin Account.

(B) On a daily basis, rebalance each Margin Account pursuant to the Index Methodology set out at Schedule 2 to this Agreement by any or all of the following:

- (1) purchase of additional Collateral Assets using cash standing to the credit of the relevant Margin Account and/or drawn down under the Margin Loan pursuant to (3) below and adding such purchased Collateral Assets to the relevant Margin Account;

- (2) sale of existing Collateral Assets from the relevant Margin Account and placing the cash proceeds of such sale into such Margin Account;
- (3) drawing down on and borrowing funds from the Margin Loan Provider under the Margin Loan and placing the funds so received from such drawdown into the relevant Margin Account; and/or`
- (4) using cash amounts standing to the credit of the relevant Margin Account and/or realised from sale of Collateral Assets out of such Margin Account pursuant to (2) above to make full or partial repayment of the Margin Loan

as appropriate to ensure that the performance of the relevant Margin Account tracks the performance of the relevant Index to which such Margin Account relates, multiplied by the relevant Leverage Factor (a “**Rebalancing**”).

- (C) On a daily basis, monitor the level of each Index and, in the event of a significant intraday price movement (as described in the Index Methodology as set out at Schedule 2 to this Agreement), perform an intra-day Rebalancing in order to ensure the Margin Account continues to track the relevant Index.
- (D) On a daily basis, following receipt by the Issuing and Paying Agent of a Dealing Order from an Authorised Participant and receipt by the Portfolio Administrator of notification by the Issuing and Paying Agent of such Dealing Order in accordance with Clause 7 of the Agency Agreement, the Portfolio Administrator shall (on behalf of the Issuer) perform the role prescribed by the Operating Manual to be performed by the Portfolio Administrator and:
 - (1) in the case of a Dealing Order which is a Subscription Order:
 - (a) draw down on the Margin Loan and borrow funds from the Margin Loan Provider under the Margin Loan, to achieve the Leverage Factor applicable in respect of the relevant Series of ETP Securities to which such Subscription Order relates (if such Leverage Factor is greater than one (1)) and place the proceeds of such drawdown into the relevant Margin Account; and
 - (b) apply the proceeds of such Subscription Order (and any proceeds of any related drawdown on the Margin Loan pursuant to (a) above) in purchasing Collateral Assets in order to replicate, in respect of the relevant Series to which such Subscription Order relates (in so far as practicable) the performance of the relevant Index multiplied by the applicable Leverage Factor, and place any such purchased Collateral Assets in the relevant Margin Account to which such Subscription Order relates;
 - (2) in the case of a Dealing Order which is a Redemption Order:
 - (a) sell sufficient Collateral Assets out of the relevant Margin Account to which such Redemption Order relates, to realise sufficient cash (after any related repayment of Margin Loan pursuant to (b) below in relation to such Redemption Order) to effect the redemption of ETP Securities requested by such Redemption Order (or if the Redemption Order relates to the whole of that Series of ETP Securities outstanding at that time, sell all the Collateral Assets out of the relevant Margin Account to which such Redemption Order relates); and

- (b) if the Leverage Factor in respect of the Series to which such Redemption Order relates is greater than one (1), apply part of such sale proceeds to make repayment of the Margin Loan in order to ensure that the performance of the relevant Series of ETP Securities continues to track the relevant Index to which such Series relates multiplied by the applicable Leverage Factor (or if the Redemption Order relates to the whole of that Series of ETP Securities outstanding at that time, to repay the whole of the Margin Loan relating to such Series).
- (E) On a quarterly basis, the Portfolio Administrator shall provide a summary report detailing the Tracking Error of each Series of ETP Securities relative to its corresponding Index.
- (F) Exercise any rights (e.g. subscription rights, consent requests, proxy votes) in connection with the Collateral Assets in respect of each relevant Series of ETP Securities, as directed by the Arranger.

5. Limits on Responsibility of the Portfolio Administrator

5.1 No Responsibility

The Portfolio Administrator will have no responsibility under this Agreement other than to render the services to the Issuer (and, for the purposes of Clause 4.1(C) (*Portfolio Administrator to Act for the Trustee*) to the Trustee) called for hereunder in good faith, in a commercially reasonable manner, in compliance with this Agreement and without fraud, wilful misconduct or gross negligence hereunder. The Portfolio Administrator shall incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be properly executed or signed by the proper party or parties. The Portfolio Administrator may exercise any of its rights or powers hereunder or perform any of its duties hereunder either directly or by or through agents or attorneys, but the Portfolio Administrator shall remain responsible for any actions or conduct or breach by any agent or attorney or delegate appointed hereunder by it. Neither the Portfolio Administrator nor any of its Affiliates, directors, officers, employees, shareholders and agents will be liable to the Issuer or other parties hereto, except by reason of acts or omissions constituting wilful misconduct or gross negligence, fraud, bad faith or breach by of the Portfolio Administrator of this Agreement.

The maximum aggregate liability of the Portfolio Administrator in respect of a breach of its obligations under this Portfolio Administrator Agreement shall, in respect of any one claim, not exceed the value of the aggregate annual fees, commissions and other amounts payable to the Portfolio Administrator in relation to the Portfolio Administrator Agreement.

5.2 Force Majeure

A failure by the Portfolio Administrator to perform any of its obligations under this Agreement as a direct consequence of a Force Majeure Event shall not constitute a breach of this Agreement by the Portfolio Administrator.

For the purposes of this Clause, a Force Majeure Event shall correspond to the occurrence of a natural or man-made disaster, an act of God, an armed conflict, an act of terrorism, or any similar intervening circumstance that is beyond the reasonable control of the Portfolio Administrator and that prevents it, after using all reasonable efforts, to overcome such prevention.

5.3 Reimbursement of Expenses

The Issuer will reimburse, indemnify and hold harmless the Portfolio Administrator, and its Affiliates, directors, officers, employees, shareholders or agents with respect to all reasonable expenses and losses, damages, liabilities, demands, charges and claims of any nature (including the fees and expenses of legal counsel and other experts which are properly incurred) in respect of or arising from any acts or omissions performed or omitted by the Portfolio Administrator, its Affiliates, directors, officers, employees, shareholders or agents in good faith and without wilful misconduct or gross negligence hereunder.

5.4 Indemnity

The Portfolio Administrator shall indemnify the Issuer for, and hold it harmless against, any loss, liability or expense properly incurred as a result of the breach of the terms of this Agreement by fraud, gross negligence, wilful misconduct or bad faith of the Portfolio Administrator except such as may result from the Issuer's fraud, gross negligence, wilful misconduct or bad faith or that of its directors, officers, employees or agents. The Portfolio Administrator shall not be liable to indemnify any person for any settlement of any such claim, action or demand effected without the Portfolio Administrator's prior written consent (such consent not to be unreasonably withheld).

5.5 Expenses

Any legal, printing and travel expenses incurred in relation to any advice of legal counsel or independent accountants and properly incurred wire charges and other properly incurred out-of-pocket expenses in connection with this Agreement shall be reimbursed by the Issuer to the Portfolio Administrator.

5.6 Survival

The indemnities in this Clause 5 (*Limits on responsibility of Portfolio Administrator*) shall survive notwithstanding termination of the appointment of the Portfolio Administrator or termination of this Agreement.

6. Portfolio Administrator Representations and Warranties

The Portfolio Administrator represents and warrants to the other parties that:

(A) Status

It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation and, if relevant under such laws, in good standing.

(B) Powers

It has the power and authority to execute this Agreement and any other Transaction Documents to which it is a party, to deliver this Agreement and any other Transaction Documents to which it is a party and any other documentation relating to hereto and thereto that it is required by any of such agreements to deliver and to perform its obligations under this Agreement and any other Transaction Documents to which it is a party and has taken all necessary action to authorise such execution, delivery and performance; and this Agreement has been, and each other such document will be, duly executed and delivered by it.

(C) **No Violation or Conflict**

Such execution, delivery and performance do not violate or breach any law applicable to it, any provision of its governing instruments, any order or judgment of any court or other agency of government applicable to it or any of its assets or any agreement, instrument or undertaking binding on or affecting it or any of its assets.

(D) **Consents**

It has provided all notifications and obtained all governmental and other consents and licences that are required to have been obtained by it with respect to this Agreement and any other Transaction Documents to which it is a party which consents are in full force and effect and it is in compliance with all conditions of any such consents.

(E) **Obligations Binding**

This Agreement and any other Transaction Documents to which it is a party constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(F) **Absence of Litigation**

There is not pending or, to its knowledge, threatened against it or against any of its Affiliates any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement and any other Transaction Documents to which it is a party or its ability to perform its obligations under this Agreement and any other Transaction Documents to which it is a party.

(G) **Base Prospectus**

As of the date of the Base Prospectus and as of the Issue Date the section entitled "The Portfolio Administrator" and any information concerning the Portfolio Administrator contained in the Base Prospectus, is true in all material respects and does not omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

7. **Acknowledgment of Security**

The Portfolio Administrator acknowledges that the Issuer will assign or charge the benefit of the Portfolio Administration Agreement to the Trustee as security for the Secured Obligations and the Portfolio Administrator confirms that, until such time as the Trustee notifies the Portfolio Administrator in writing that particular Secured Property of the relevant Series of ETP Securities is no longer subject to such assignment or charge, the Portfolio Administrator will hold such Secured Property to the order of, or where the Security constituted by the Security Documents has become enforceable in accordance with the Terms and Conditions of the ETP Securities, for the benefit of, the Trustee. The Portfolio Administrator further acknowledges that the rights of the Issuer and the Portfolio Administrator in respect of the Secured Property are subject to the charges and

assignments in favour of the Trustee created by or pursuant to the Trust Deed and the Security Documents in relation to such Series of ETP Securities.

8. Indemnity

8.1 By Issuer

The Issuer agrees to indemnify, defend and hold each Agent and its officers, directors, employees and agents harmless from and against any and all Liabilities that may be incurred by each of them and their respective officers, directors, employees and agents (each, a “**Relevant Party**”) arising directly or indirectly out of or in connection with this Agreement and the legal costs and expenses as such expenses are incurred (including, without limitation, the expenses of any experts, counsel or agents) of investigating, preparing for or defending itself against any action, claim or liability in connection with its performance hereunder, other than, in each case, in respect of any Liabilities arising as a result of any fraud, bad faith, wilful default or gross negligence of any Agent or any breach by any Agent of this Agreement or the Margin Account Agreement.

8.2 By Agents

Each of the Agents shall indemnify the Issuer for, and hold it harmless against, any Liabilities properly incurred by the Issuer, its officers or directors as a result of the bad faith, fraud, wilful misconduct or gross negligence of such Agent in performing its obligations under this Agreement except such as may result from the Issuer’s bad faith, wilful default or gross negligence or that of its directors, officers, employees or agents or any breach by the Issuer of this Agreement or the Margin Account Agreement. The Agents shall not be liable to indemnify any person for any settlement of any such claim, action or demand effected without the relevant Agent’s prior written consent (such consent not to be unreasonably withheld or delayed).

8.3 Punitive Damages

Notwithstanding any provision of this Agreement to the contrary, including, without limitation, any indemnity given by the Issuer or any of the Agents herein, each of them shall not in any event be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), whether or not foreseeable, even if the Issuer or the Agents have been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise; provided, however, that this Clause 8.3 (*Punitive Damages*) shall not be deemed to apply in the event of a determination of fraud on the part of the Issuer or the applicable Agent in a non-appealable judgment by a court having jurisdiction.

8.4 Survival

The indemnities in this Clause 8 (*Indemnity*) shall continue in full force notwithstanding termination of the appointment of any Agent or termination of this Agreement.

9. General

9.1 No Agency or Trust

None of the Agents shall have any obligation towards or relationship of agency or trust with any ETP Securityholder and shall be responsible only for the performance of the duties and obligations expressly imposed upon them under this Agreement and in the Terms and Conditions of the ETP Securities. The Agents shall not be under any obligation to take any action hereunder which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it.

9.2 Consultation

Each Agent may consult as to legal matters with legal advisers satisfactory to it and the written opinion of such legal advisers shall be full and complete authorisation and protection in respect of any action taken or omitted to be taken by such Agent hereunder in good faith and in accordance with the opinion of such legal advisers provided it exercised due care in the appointment of such legal advisers.

9.3 Reliance on Documents

The Agents shall be protected and shall incur no liability for or in respect of any action taken or omitted to be taken or anything suffered by it in reliance upon any Note, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

9.4 Other Relationships

Subject to compliance with any applicable selling restrictions, the Agents and their Affiliates, directors, officers and employees may become the owners of, or acquire any interest in, any ETP Security, with the same rights as any other owner or holder, and, subject to compliance with any regulatory laws, may engage or be interested in any business transaction with the Issuer without being liable to account to the ETP Securityholders for any resulting profit, and may act on, or as depositary, trustee or agent for, any committee or body of holders of ETP Securities or other obligations of the Issuer as freely as if they were not a party, or connected with a party, to this Agreement.

9.5 No Lien

Other than as specifically contemplated in the Margin Account Agreement, no Agent shall exercise any lien, right of set-off or similar claim against any ETP Securityholder over the Notes or over any amount held by them pursuant to the terms hereof.

9.6 Successor

In this Agreement, "**successor**" in relation to a party hereto means an assignee or successor in title of such party or any person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of such party hereunder to which party the same has been transferred under such laws, as the same shall have been approved in writing by the Issuer.

9.7 Reliance on Certificates

Each Agent shall be able to rely on the certificate of any party without enquiry as to any statement of such party such Agent requires under the terms of this Agreement to carry out its duties hereunder.

10. Change in Appointments

10.1 Replacement of the Portfolio Administrator

At any time prior to the occurrence of a Margin Loan Provider Event of Default, a Margin Account Termination Event or an Event of Default under the ETP Securities, the Portfolio Administrator may novate, assign or otherwise transfer its obligations as Portfolio Administrator under this Agreement to one or more entities (the "**Replacement Portfolio Administrator**", provided that:

- (A) the Portfolio Administrator and the Replacement Portfolio Administrator enter into arrangements satisfactory to the Issuer in accordance with this Agreement and any other arrangements required by the Issuer (including, without limitation, the provision of such legal opinion as the Issuer may require);
- (B) following such transfer the Portfolio Administration Agreement with the Replacement Portfolio Administrator is subject to the Security on the same terms mutatis mutandis as the Portfolio Administration Agreement with the Portfolio Administrator prior to such transfer and shall form part of the Secured Property;
- (C) not less than 10 calendar days' prior notice of any such transfer is given to ETP Securityholders in accordance with Condition 17; and
- (D) the Replacement Portfolio Administrator is deemed, on the date of the novation, assignment or transfer, to assume all the obligations of the Portfolio Administrator to the Issuer and the Trustee under this Agreement, and to give to the Issuer and the Trustee all the representations, warranties and undertakings given by the Portfolio Administrator under this Agreement.

10.2 Termination

Each of the Issuer, the Trustee, the Custodian and the Portfolio Administrator may terminate this Agreement in respect of any one or more Series of ETP Securities by giving not less than ninety (90) calendar days' written notice to the other parties hereto.

10.3 Change of Office

If any Agent shall change its specified office, it shall give to the Issuer, the Portfolio Administrator and the Trustee not less than 30 days' prior written notice to that effect giving the address of the changed specified office.

11. Commissions and Expenses

11.1 Fees

The Issuer shall, in respect of the services to be performed by the Agents under this Agreement, pay, in accordance with the order of priority specified in the Terms and Conditions of the ETP Securities, to the Custodian and the Portfolio Administrator, the fees separately agreed in the fee letter entered into on 5 December 2017 between the Issuer, the Custodian and the Portfolio Administrator (together with any applicable VAT thereon against production of a valid VAT invoice).

11.2 Expenses

The Issuer shall also pay (against presentation of the relevant invoices), in accordance with the order of priority specified in the Terms and Conditions of the ETP Securities, all reasonable out-of-pocket expenses (including, by way of example only, legal, advertising, cable and postage expenses and insurance costs) properly incurred by the Agents in connection with their services hereunder, together with any applicable VAT to the extent that such VAT is not available for credit or repayment or otherwise recoverable by the Agents or for any person with which the relevant Agent is treated as a member of a group for VAT purposes.

11.3 Stamp Duty

The Issuer agrees to pay any and all stamp and other documentary taxes or duties which may be payable by an Agent in connection with the execution, delivery and enforcement of this Agreement.

11.4 Acceleration of Payment

Notwithstanding any other provision of this Agreement, in the event of any enforcement of the security over the Collateral Assets pursuant to the Trust Deed all fees and expenses payable to the Agents and the Trustee shall become immediately due and payable.

12. Limited Recourse

- 12.1 In respect of any claim against the Issuer in relation to a Series of ETP Securities and/or this Agreement, the Portfolio Administrator, the Trustee and the Custodian shall each have recourse only to the Secured Property in respect of such Series of ETP Securities in respect of which such claim relates, subject always to the Security, and not to any other assets of the Issuer. If, following realisation in full of the Secured Property (whether by way of liquidation or enforcement) and application of available cash sums as provided in the Terms and Conditions of the relevant Series of ETP Securities, any outstanding claim against the Issuer, whether secured or unsecured, remains unpaid, then such outstanding claim shall be extinguished and no debt shall be owed by the Issuer in respect thereof. Following the extinguishment of any such claim, none of the Portfolio Administrator, the Trustee or the Custodian or any other person acting on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, corporate service providers or directors to recover any further sum in respect of the extinguished claim and no debt shall be owed to any such persons by the Issuer in respect of such further sum.
- 12.2 None of the Portfolio Administrator, the Custodian or the Trustee or any person acting on behalf of any of them may, at any time, bring, institute or join with any other person in bringing, instituting or joining insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its assets, and none of them shall have any claim arising with respect to the sums, assets and/or property attributable to any other securities issued by the Issuer (save for any further securities which form a single Series with the relevant Series of ETP Securities).
- 12.3 The provisions of this Clause 12 shall survive notwithstanding any redemption of the ETP Securities or the termination or expiration of this Agreement and any other Programme Document.

13. Counterparts

This Agreement and any agreement supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same agreement and any party to this Agreement or any agreement supplemental hereto may enter into the same by executing and delivering a counterpart.

14. Parties' Notice Details

Any notice or demand to be given, made or served for any purposes under this Agreement shall be given, made or served by sending the same by pre-paid post (first class if inland, first class airmail if overseas), facsimile transmission, e-mail or by delivering it by hand as follows:

To the Issuer:	Leverage Shares Public Limited Company
Address:	2 nd Floor, Block 5 Irish Life Centre Abbey Street Lower Dublin 1 D01 P767 Ireland
Attention:	The Directors
Email:	leverageshares@apexfs.com
To the Trustee:	Apex Corporate Trustees (UK) Limited
Address:	acting through its principal address at: 6 th Floor, 125 Wood Street London EC2V 7AN
Attention:	The Manager, Corporate Trusts
E-mail:	corporatetrusts@apexfs.com
To the Custodian	Interactive Brokers LLC
Address:	One Pickwick Plaza Greenwich CT 0683082 USA
Telephone:	+1 203 618-7776
Email:	wcummings@interactivebrokers.com
Attention:	William Cummings
To the Portfolio Administrator	Interactive Brokers (UK) Limited
Address:	Level 20 Heron Tower 110 Bishopsgate London EC2N 4AY
Telephone:	+44 (207) 710 5646
Email:	spescetto@interactivebrokers.com
Attention:	Sabrina Pescetto

or to such other address or facsimile number as shall have been notified (in accordance with this Clause 14 (*Parties' Notice Details*)) to the other parties hereto and any notice or demand sent by post as aforesaid shall be deemed to have been given, made or served three days in the case of inland post or seven days in the case of overseas post after despatch and any notice or demand sent by facsimile transmission as aforesaid shall be deemed to have been given, made or served 24 hours after the time of despatch; provided that in the case of a notice or demand given by facsimile transmission, such notice or demand shall forthwith be confirmed by post. The failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given by facsimile transmission.

15. Provisions Severable and Partial Invalidity

If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of the remaining provisions or the effectiveness of any of the remaining provisions under such law, or the legality, validity or enforceability of such provision under the laws of any other jurisdiction.

16. Governing Law and Jurisdiction

16.1 Governing Law

This Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of Ireland.

16.2 Jurisdiction

Each party irrevocably agrees that the courts of Ireland shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.

17. Trustee Protections

The Trustee has agreed to become a party to this Agreement for the better preservation and enforcement of its rights hereunder and shall not assume any liabilities or obligations under this Agreement unless such obligation or liability is expressly assumed by the Trustee in this Agreement and any such expressly assumed obligations are solely of a mechanical and administrative nature.

In performing any act under this Agreement, it is agreed and acknowledged that the Trustee shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the relevant Security Documents.

This Agreement shall be construed in accordance with, and subject to, the provisions of the relevant Security Documents such that all rights, remedies, privileges, discretions granted to, or exercisable by, the Trustee in respect of, or in connection with this Agreement, shall be exercisable by the Trustee as if such provisions were set out in full herein and this Agreement shall be construed accordingly.

IN WITNESS of which this Agreement has been executed on the date written at the beginning hereof.

SCHEDULE 1

CONFIRMATION OF APPOINTMENT OF PORTFOLIO ADMINISTRATOR

[On letterhead of the Issuer]

To: Interactive Brokers (UK) Limited
Level 20 Heron Tower
110 Bishopsgate
London, EC2N 4AY
(the “**Portfolio Administrator**”)

Dear Sirs

Leverage Shares Public Limited Company’s programme for the issuance of collateralised exchange traded securities (the “Programme”)

We refer to the Portfolio Administration Agreement originally dated 5 December 2017 and as most recently amended and restated on [●] in respect of the Programme (the “**Portfolio Administration Agreement**”) between amongst others, ourselves as the Issuer and Interactive Brokers (UK) Limited as the Portfolio Administrator.

Terms used herein but not otherwise defined shall have the meaning given to them in the Portfolio Administration Agreement.

We hereby confirm in accordance with Clause 4.1(A) of the Portfolio Administration Agreement the appointment of Interactive Brokers (UK) Limited as the Portfolio Administrator in relation to [*specify relevant Series of ETP Securities*] (the “**ETP Securities**”) upon the terms of the Portfolio Administration Agreement for the purposes specified in the Portfolio Administration Agreement and in the Conditions and all matters incidental thereto.

In accordance with Clause 4.1(A) of the Portfolio Administration Agreement, please complete and return to us the copy of this letter duly signed by an authorised signatory confirming your acceptance of this appointment.

By confirming your acceptance of this appointment, in accordance with Clause 4.1(A) of the Portfolio Administration Agreement you shall be deemed to acknowledge and agree that the obligations purported to be imposed on the Portfolio Administrator in the Final Terms in relation to the ETP Securities (as set out in the Schedule hereto) shall apply to Interactive Brokers (UK) Limited in its capacity as Portfolio Administrator.

This letter is governed by and construed in accordance with English law.

Yours faithfully

Leverage Shares Public Limited Company

Acknowledged and agreed

Interactive Brokers (UK) Limited as Portfolio Administrator

**SCHEDULE TO THE CONFIRMATION OF APPOINTMENT
OF PORTFOLIO ADMINISTRATOR**

[insert Final Terms]

SCHEDULE 2
INDEX METHODOLOGY



NYSE Leveraged Single Name Index Series

Version 0.9.1
Valid from
October 16,
2017

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Version History:

Version X.X (Effective MMM DD, YYYY)

The methodology document covers the newly-launched NYSE Leveraged Single Name Indexes.

1. Index summary

Factsheet	
Full Names	NYSE Leveraged Single Name Index
Index Types	Net Total Return (USD): [SYMBOL]
Index Description	<p>The NYSE Leveraged Single Name Indexes are a series of indexes that track the daily leveraged returns of a series of U.S., U.K. and Italian listed equities. The indexes are constructed assuming physical replication as the tracking method and as such incorporates the use of margin (borrowing) including accounting for intra-day rebalances under certain conditions. Index compositions and corporate actions, including rebalance</p> <p>ftp2.nyxdata.com.</p>
Eligible Stocks	Listed U.S., U.K., and Italian equities that meet liquidity and volatility thresholds as determined by NYSE
Number of	Each index utilizes a single equity as the underlier.
Rebalance Schedule	The index is rebalanced daily as to accommodate the use of margin (borrowing) to achieve leverage. In the event of a substantial (20.00%) intra-day price drop of the underlying component the index will undergo an intra-day rebalance meant to
Calculation Frequency	Price Return: Every 15 seconds between 03:00 & 18:00 ET
Base Date	XX-XX-XXXX
Base Level	XXX.XX
Historic Data Available Since	XX-XX-XXXX
Derivatives and Linked Products	
Bloomberg Code	SYMBOL <INDEX> / SYMBOL <INDEX>
Reuters Code	.SYMBOL / .SYMBOL
Launch Date	MMM DD,YYYY

2. Governance and disclaimer

Index Sponsor & calculation Agent

NYSE[®] Group, Inc. or any of its affiliates is the Index Sponsor. NYSE[®] Arca[®] or any of its affiliates is the Index Calculation Agent on behalf of NYSE[®] Group, Inc. and its affiliates.

The NYSE[®] Arca[®] Index Committee is responsible for the day-to-day management of the index and is also responsible for decisions regarding the interpretation of these rules. The Index Committee reviews all rule book modifications and index constituent changes to ensure that they are made objectively and without bias. NYSE[®] Arca[®] and its affiliates believe that information regarding rule book modifications and index constituent changes is material and can have an impact on the market. Consequently, all index committee discussions and decisions are confidential.

Cases not covered in rules

In cases which are not expressly covered in these rules, operational adjustments will take place along the lines of the aim of the index. Operational adjustments may also take place if, in the opinion of the calculation agent, it is desirable to do so to maintain a fair and orderly market in derivatives on this index and/or this is in the best interests of the investors in products based on the index and/or the proper functioning of the markets.

Rule book changes

The Index Committee reviews all rule book modifications and index changes to ensure that they are made objectively and without bias. These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the index is compiled or calculated or affect the index in another way.

Liability

NYSE[®] Arca[®] and its affiliates are not liable for any losses resulting from supplementing, amending, revising or withdrawing the Rules for the index. The calculation agent will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the index in accordance with relevant rules. However, NYSE[®] Arca[®] and its affiliates are not liable for any inaccuracy in share prices, calculations and the publication of the index, the information used for making adjustments to the index and the actual adjustments. Furthermore, NYSE[®] Arca[®] and its affiliates do not guarantee nor the continuity of the composition of the index, nor the continuity of the calculation of the index, nor the continuity of the dissemination of the index levels.

Ownership and trademarks

Intercontinental Exchange, Inc. (ICE) and its affiliates own all intellectual and other property rights to the Index, including the name, the composition and the calculation of the Index. [NYSE INDEX TICKER][®] is a registered trademark of NYSE Group, Inc. or its affiliates and is being utilized in the index under license.

3. Publication

3.1 *The opening, intraday and closing or daily publication of index values.*

Opening

The first index level is calculated and published around 03:00 ET, when the U.K. equity markets open for their regular trading session. The calculation of that level utilizes the most updated prices available at that moment. In the case of constituents that have a non-traded, halted or suspended status, or have not opened for the current day, the previous day's reference prices or estimated prices (for IPOs, buyouts and swap offers) are used.

Dissemination frequency

The level of the index is in principle published every 15 seconds to the NYSE[®] Global Index Feed (NYSE[®] GIF). The calculated index levels incorporate the latest traded price of each constituent from within the regular trading session in each underlying index component equity market, respectively. The indexes hold equities listed and traded in the U.S., U.K. and Italy, and thus, intraday calculations of the index utilizing U.S. listed equities would incorporate trades on a consolidated level, from all exchanges including those not designated as the official primary exchange.

The index is calculated from 03:00 until 18:00 ET on those days specified as index business days. Index business days will be classified as days on which the U.S. Equity Markets (NYSE[®], NASDAQ, NYSE[®] American), U.K. Equity Markets (London Stock Exchange) or Italian Equity Markets (Borsa Italiana) are open for a full or partial day of trading.

Closing level

The closing level is the last level disseminated on the trading day and uses the official close prices from the primary listing market for each constituent. For constituents that have non-traded, halted or suspended status, or have not opened for the current day, the previous day's reference prices or estimated prices (for IPOs, buyouts and swap offers) are used instead. In the case of exceptional market conditions, the Index calculation agent reserves the right to utilize other prices in the calculation of the official closing level, as indicated below in Section 3.2.

Sources of Data

The Consolidated Tape (CTS/UDTF) is the primary market data source for U.S. equity real time and closing prices. The London Stock Exchange is the primary market data source for U.K. equity real time and closing prices. The Borsa Italiana is the primary market data source for Italian equity and real time and closing prices. Additional sources of data less commonly used include other market data vendors, company announcements, exchange announcements, and other official sources.

3.2 Exceptional market conditions and corrections

The calculation agent retains the right to delay the publication of the opening level of the index. Furthermore, the calculation agent of the index retains the right to suspend the publication of the level of the index if it believes that circumstances prevent the proper calculation of the index.

If index constituent prices are cancelled, the index will not be recalculated unless the calculation agent decides otherwise.

Commercially reasonable efforts are made to ensure the correctness and validity of data used in real-time index calculations. If incorrect price or corporate action data affects index daily highs, lows, or closes, it is corrected retroactively as soon as possible.

There is the possibility of an exchange or market-wide event resulting in the normal closing auction not going off or official closing prices not being available. In those situations, the index will take guidance from the respective exchange(s) and address on an event-by-event basis. Exchange or market-wide events include, but are not limited to, the following:

- Volatility Halts
 - LULD (Limit Up / Limit Down)
 - Market Wide Circuit Breaker
- Technological Problems / Failures
- Natural Disaster or Other BCP-Related Event

3.3 Announcement policy

Announcement policy

Changes to the index methodology will be announced by an index announcement which will be distributed via www.nyxdata.com and [ftp2.nyxdata.com](ftp://ftp2.nyxdata.com).

As a general rule the announcement periods that are mentioned below will be applied. However, urgently required corporate action treatments, often resulting from late notices from the relevant company or exchange, may require the calculation agent to deviate from the standard timing.

Corporate actions

In case of an event that could affect one or more constituents, the calculation agent will inform the market about the intended treatment of the event in the index shortly after the firm details have become available and have been confirmed. When possible, the corporate action will be announced, even if not all information is known, at least one trading day before the effective date of the action. Once the corporate action has been effectuated, the calculation agent will confirm the changes in a separate announcement.

Rulechanges

Going forward, barring exceptional circumstances, a period of at least two months should pass between the date a proposed change is published and the date it goes into effect. Exceptions can be made if the change is not in conflict with the interests of an affected party, which specifically includes external parties that license the index for a tracking product.

4. Calculation

4.1 Calculation of the index

The index is calculated on a Net of Taxes Total Return basis. The current index level would be calculated by dividing the current modified index market capitalization by the index divisor. The divisor was determined off of the initial capitalization base of the index and the base level. The divisor is updated as a result of corporate actions and/or composition changes.

5. Index rebalances

5.1 General aim of rebalances and frequency

General aim of the periodical rebalance

This index is developed with the goal of tracking the leveraged returns of a single constituent on a daily basis utilizing physical replication. As such, the purpose of the rebalance is to close out the margin account for a given trading day and establish the new principal amount and borrowing for the next trading day.

Frequency

The index will undergo a rebalance after the close of every trading day.

Furthermore, as the index is built to accommodate the use of margin (borrowing) as the means of providing leverage there is an accommodation made for days where the underlying security sustains an intra-day loss of 20% or more as measured from the previous day's closing price. In the event of an intra-day loss of 20% or more, the index will undergo an intra-day rebalance which is meant to model an intra-day margin call. The monitoring period for any intra-day rebalance event is based on the market trading hours of the primary listing venue of each underlying security. The regular end of day rebalance will occur irrespective of any intra-day rebalance.

For example, if an index based on a U.S. listed security has a rebalance event at any time during U.S. trading hours an intra-day rebalance will be conducted at that time followed by an end of day rebalance to establish the next day's principle investment and margin borrowing amounts. There is no limit to the number of intra-day margin calls that may be triggered due to underlying securities' price movements. Regardless of the number of intra-day rebalance events there will always be an end of day rebalance to establish the next day's principle investment and margin borrowing amounts.

6. Corporate Actions

6.1 General

The index may be adjusted in order to maintain the continuity of the index level and the composition. The underlying aim is that the index continues to reflect as closely as possible the index's goal of tracking the returns of a physically held leveraged equity portfolio.

Adjustments take place in reaction to events that occur with constituents in order to mitigate or eliminate the effect of that event on the index performance.

6.2. Removal of constituents

As these indexes look to replicate the leveraged returns of a single security, removal of any constituent would constitute cessation of the index.

6.2.1. Mergers and Acquisitions

Merger or acquisition between members of the NYSE Single Name Leveraged Index series: In the event a merger or acquisition occurs between members of NYSE Single Name Leveraged Indexes, the following actions will be taken:

- (1) At the date of the announcement, no action will be taken. Both indexes will continue to be calculated and disseminated as outlined in this methodology guide.
- (2) At the date of the closing of the merger or acquisition the index containing the target company will allocate the notional value of all shares to cash based on the following:
 - a. If an all cash deal, the per share price as prescribed by the terms of the deal
 - b. If an all-stock deal, the last available price of shares prior to the deal closing
 - c. If a combination stock and cash deal, the last available price of shares prior to the deal closing
- (3) The index will continue to be calculated and disseminated until any product tracking the index has been delisted

Merger or acquisition between a member and a non-member: A non-member is defined as a company that is not a current constituent of NYSE Single Name Leveraged Index. A merger or acquisition between one member of the Index and one non-member can take two forms:

- (1) The acquiring company is a member of the Index and the acquired company is not. There will be no action taken within the index.

(2) The acquiring company is not a member, but the acquired company (target company) is a member. The following actions will be taken:
(1) At the date of the announcement, no action will be taken. The index will continue to be calculated and disseminated as outlined in this methodology guide.

(2) At the date of the closing of the merger or acquisition the index containing the target company will allocate the notional value of all shares to cash based on the following:

- a. If an all cash deal, the per share price as prescribed by the terms of the deal
- b. If an all-stock deal, the last available price of shares prior to the deal closing
- c. If a combination stock and cash deal, the last available price of shares prior to the deal closing

(3) The index will continue to be calculated and disseminated until any product tracking the index has been delisted

6.2.2 Suspensions and company distress

Immediately upon a company filing for bankruptcy, an announcement will be made to convert the existing equity position to cash utilizing the last closing price on the listing exchange. If the stock is trading on an over-the-counter (OTC) market, the last trade or price on that market is utilized as the deletion price on that day.

6.2.3 Price sources

In the event that the trading in shares is suspended or halted, the last known price established during regular daytime trading on the primary exchange will be used. Depending on the particular situation, the Index Calculation agent may choose to value the security at a price of \$0 for purposes of index calculation and/or index corporate action. This would be applicable for certain extreme cases such as a company bankruptcy or severe distress.

6.3 *Split-up /spin off*

The closing price of the index constituent is adjusted by the value of the spin-off, and the shares of the index constituent will be adjusted to maintain its existing weighting in the index. As the principle investment amount is re-established daily, the cash equivalent of shares acquired through the spinoff will be included in the overall market capitalization of the index. This figure will be used to establish the principle investment amount for the next day's opening.

Spun-off companies will not be added into the index at the time of the event.

6.4. *Dividends*

6.4.1. Distinction ordinary and special dividend

The net total return index will be adjusted for dividends that are special in nature, typically through a price adjustment and corresponding cash increase to maintain the overall index market capitalization.

To decide whether a dividend should be considered a special dividend the Calculation agent will use the following criteria:

- a) the declaration of a company of a dividend additional to those dividends declared as part of the company's normal results and dividend reporting cycle; merely an adjustment to the timing of the declaration of a company's expected dividend would not be considered as a special dividend circumstance; or
- b) identification of an element of a dividend paid in line with a company's normal results and dividend reporting cycle as an element that is unambiguously additional to the company's normal payment.

For the purpose of clarification, the Calculation agent will make adjustment for the following situations, specifically in the Price Return Index:

1. Payment of ordinary dividends, irrespective of how they are financed;
2. Issue of redeemable shares or any other entitlement in lieu of an ordinary dividend; or
3. Unexpected increase or decrease, resumption or cessation, or change in frequency to an ordinary dividend.

6.5. Rights issues and other rights

In the event of a rights issue, the price is adjusted for the value of the right before the open on the ex-date, and the shares are increased to maintain the constituent's existing weighting within the index. The adjustment assumes that the rights issue is fully subscribed. The amount of the price adjustment is determined from the terms of the rights issue, including the subscription price, and the price of the underlying security. The Index Calculation agent shall only enact adjustments if the rights represent a positive value, or are in-the-money, or alternatively, represent or can be converted into a tangible cash value.

6.6 Bonus issues, stock splits and reverse stock splits

For bonus issues, stock splits and reverse stock splits, the number of shares included in the index will be adjusted in accordance with the ratio given in the corporate action. Since the event will also incorporate a corresponding price adjustment and won't change the value of the company included in the index, the divisor will not be changed because of this.

6.7 Changes in number of shares

Changes in the number of shares outstanding, typically due to share repurchases, tenders, or offerings, will not be reflected in the index.

7. Index Formula

7.1 Index calculation formula

The general formula for the calculation of a real-time **net of taxes total return version** of the Index is:

$$\text{Index(PR)}_t = \frac{\sum_i [P_{\text{lev},i,t} Q_{i,t}] \times (1 - BR \times 0.5)}{D_t}$$

Where:

t means Index Calculation Date t

D_t means the Index divisor on Index Calculation Date t

P_{lev,i,t} means the leveraged price of Index Constituent i on Index Calculation Date t

Q_{i,t} means the number of shares of Index Constituent i on Index Calculation Date t which

includes any shares attributed to acquisition utilizing net of taxes dividends

BR means the borrow rate applied to margined assets

Div_{nt,i,t} means the dividends of Index Constituent i on Index Calculation Date t

Borrow rates are dependent on the trading currency of index underlyings. Current rates are as follows:

- i) U.S. Equities: Federal Funds Overnight Rate + 100 Basis Points (1%)
- ii) U.K. Equities: GBP Libor Overnight Rate + 100 Basis Points (1%)
- iii) Italian Equities: EURIBOR Overnight Rate +100 Basis Points (1%)

Index Calculation Date means a U.S., U.K. or Italian Business Day where all Constituent Exchanges are open.

Leverage is introduced into the above equation by applying leverage to constituent prices using the following formula:

$$P_{lev_{i,t}} = \left[1 + Lev \times \left(\frac{P_{i,t}}{P_{i,t-1}} - 1 \right) \right]$$

Where:

Lev means the leverage multiple

$P_{i,t}$ means the constituent price at time t

$P_{i,t-1}$ means the most recent constituent price prior to time t

$P_{lev,i,t}$ means the levered constituent price i at time t

Net of taxes dividends are derived using the following formula:

$$Div_{nt} = \sum [Dividend_i \times Shares_i \times (1 - WR_i)]$$

Where:

WR_i means the Tax Withholding rate of component (i)

The tax rates used for the NYSE Leveraged Single Name Indexes are from the perspective of a Luxembourg based investor. The current applicable rate is 15%.

SIGNATURE PAGES TO THE PORTFOLIO ADMINISTRATION AGREEMENT

Issuer

LEVERAGE SHARES PUBLIC LIMITED COMPANY

By:

Trustee

APEX CORPORATE TRUSTEES (UK) LIMITED

By:

Custodian

INTERACTIVE BROKERS LLC

By:

Portfolio Administrator

INTERACTIVE BROKERS (UK) LIMITED

By: