# Rules for Calculating the Indices of
# Bulgarian Stock Exchange – Sofia

### Section I
### General

1. These Rules shall define the principles and requirements underlying the calculation of indices by Bulgarian Stock Exchange – Sofia (BSE-Sofia).

2. Bulgarian Stock Exchange – Sofia shall calculate the following types of indices:
   a) Indices of the regulated markets;
   b) Sectoral (industry) indices – based on the sectors defined in the National Sectoral Classifier (NACE).

3. The indices of BSE-Sofia shall cover the most liquid issues of shares, listed on any of the organised markets, which accurately reflect the market performance.

4. The methodology of each index calculated by the Exchange shall be described in a specific Annex to these Rules.

5. The initial value of each index shall be **100** points, unless otherwise provided in the respective Annex.

### Section II
### General criteria for selection of constituent issues

6. The indices of BSE-Sofia shall cover only issues of companies, which:
   a) Have been admitted for trading on a regulated market and/or multilateral trading system; and
   b) Have not been adjudged bankrupt or in liquidation.

7. The minimum number of issues included in the indices shall be 5.

8. The indices shall cover a variable or constant number of issues.

## Section III
## The Indices Committee of BSE-Sofia

9. The Board of Directors of BSE-Sofia ('the Board') shall elect a 3-member Indices Committee ('the Committee') and shall appoint its Chairperson.

10. The Committee shall be directly responsible for calculating the indices and for all related procedures, including:
    a) Preparing of proposals to the Board for launching and termination of index calculation;
    b) Preparing of proposals to the Board for a change of the issues included in the portfolio of a certain index (the index base) in pursuance with these Rules;
    c) Changing the divisors of certain issues in case of occurrence of the respective corporate events;
    d) Preparing of proposals to the Board for amendment and supplement of these Rules and the Annexes thereto;
    e) Preparing of any other proposals to the Board related to the calculation of BSE indices;
    f) Any other actions if assigned by the Board.

11. The Chairperson shall be responsible for convening and chairing the meetings of the Committee.

12. The Committee shall sit at least once per month.

13. The Committee shall take its decisions by ordinary majority.

14. With reference to the calculation of BSE indices, on proposal by the Committee, the Board shall take decisions for:
    a) Amendment and supplement to these Rules and the Annexes thereto;
    b) Launching the calculation of new indices, including their methodology, initial date, initial value and interval of computing;
    c) Termination of the calculation of existing indices;
    d) Changes within the base of existing indices.

15. The proposals of the Committee as per the foregoing item shall be presented to the Board by the Chairperson of the Committee.

## Section IV

### Corrections (adjustments) of the index values in response to corporate events

16. By decision of the Committee, the indices might be recalculated through a change in the divisors of the respective issues in case of:
    a) Dividend distribution;
    b) Change in the amount of the issue or in the nominal value of the securities;
    c) Change in the weight factors;
    d) Change in the free-float factors;
    e) Other corporate events as may be considered appropriate by the Committee.

17. The decisions for a change in the free-float and weight factors shall be taken at meetings of the Committee on the dates as specified in the respective Annex. The new factors shall be announced in the official bulletin of BSE-Sofia at least one week before enforcement, unless otherwise provided in the respective Annex.

## Section V
### Changing the base of an index

18. On proposal of the Committee, the Board shall periodically review the indices base.

19. The decisions as per the foregoing item for a change in an index base shall be taken on the dates specified in the respective Annex and shall be announced in the official bulletin of the Exchange at least one week before enforcement.

20. Regardless of the provision of item 18, on proposal of the Committee, the Board might also perform extraordinary reviews.

21. An issue might be removed from an index (the index base) in the following cases:
    a) Final termination of the listing of the issue;
    b) The issue no longer meets the criteria laid down in item 6 or the index-specific requirements;
    c) The respective company has been terminated in result of a merger, acquisition, etc.

22. An issue might be added to an index (the index base) provided it meets the criteria laid down in item 6 or the index-specific requirements as stipulated in the respective Annex.

23. The Committee shall maintain an updated list containing the issues of companies that meet the criteria laid down in item 6 and the index-specific requirements.


These Rules have been adopted by the Board of Directors of BSE-Sofia pursuant to Minutes of the Board Meeting No 28 dated 17.08.2007 and have repealed the Rules for calculating the indices of BSE-Sofia as adopted by the Board of Directors of BSE-Sofia pursuant to Minutes of the Board Meeting No 28 dated 24.09.2004.

These Rules have been amended by the Board of Directors of BSE-Sofia pursuant to Minutes of the Board Meeting No 37 dated 30.10.2007.

# Annex 1
# Methodology for Calculation of SOFIX

1. SOFIX shall be an index based on the market capitalisation of the included issues of shares, adjusted with the free-float of each of them.

2. In addition to the requirements as per item 6 of these Rules, an issue included in the index base of SOFIX shall meet the following criteria:

   a) To have been traded on a market, organised by the Exchange, for at least 3 (three) months before its introduction into the SOFIX portfolio. Provided an issue has been transferred for trading from one market segment to another, the first quotation date of the issue shall be assumed as its first trading date;

   b) The market capitalisation of the issue shall not be less than BGN 50,000,000 (fifty million Bulgarian Leva);

   c) The number of shareholders of the company shall not be less than 500 (five hundred) persons;

   d) The value traded in the issue during the last 12 (twelve) months shall not be less than BGN 5,000,000 (five million Bulgarian Leva);

   e) The free-float (number of shares hold by minority shareholders, i.e. by holders of not more than 5 per cent of the votes in the General Meeting of the issuing company) shall not be less than 10 (ten) per cent of the total volume of the issue;

   f) The number of trades in the issue during the last 12 (twelve) months shall not be less than 1,000 (a thousand) transactions.

3. When calculating the traded value and the number of transactions, only the trades during the continuous trading on the Exchange (by matching asks and bids or market-maker quotations) shall be taken into consideration.

4. The SOFIX daily value shall be calculated as its base value is multiplied by the ratio of the sum of the adjusted by the divisor, the weight factor and by the free-float of each company market capitalisations of all issues in the index portfolio as of the current moment, towards the sum of the adjusted by the weight factor and by the free-float market capitalisations as of the base moment.

5. The interval, at which the SOFIX values shall be computed throughout the trading session, shall be 1 (one) minute.

6. The market capitalisation of the issue of each company shall be defined as a product of the number of shares of the respective issue and the price of the last trade in this issue.

7. If there is no transaction in shares of a certain company during a trading session, then the price of the last trade in the respective issue shall be taken into consideration for the purposes of the index. When calculating the index, only the prices of trades executed during the continuous trading on the Exchange (by matching asks and bids or market-maker quotations) shall be taken into consideration.

8. Formula for calculation of SOFIX:

$$\text{SOFIX}_t = \text{SOFIX}_{t-1} \times \left[ \frac{\sum_{i=1}^{n} N_{i,t} \times P_{i,t} \times FF_{i,t} \times W_{i,t} \times D_{i,t}}{\sum_{i=1}^{n} N_{i,t-1} \times P_{i,t-1} \times FF_{i,t-1} \times W_{i,t-1} \times D_{i,t-1}} \right] \times K$$

**Where:**
**SOFIX** is an index of the regulated markets of BSE-Sofia;
$N_{i,t}$ is the number of shares of the respective issue on the **(t)** day;
$N_{i,t-1}$ is the number of shares of the respective issue on the **(t-1)** day;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day;
$P_{i,t-1}$ is the price of the last trade in the **(i)**-th security on the **(t-1)** day;

**FF$_{i,t}$** is the free-float of the **(i)**-th security on the **(t)** day;
**FF$_{i,t-1}$** is the free-float of the **(i)**-th security on the **(t-1)** day;
**W$_{i,t}$** is the weight factor of the **(i)**-th security on the **(t)** day *(W$_i$ =1 unless the weight of the security would exceed 15 % of the index)*;
**W$_{i,t-1}$** is the weight factor of the **(i)**-th security on the **(t-1)** day;
**n** is the number of issues included in the index portfolio;
**i** is the indicator of the specific security;
**t** is the day, for which the index is calculated;
**D$_{i,t}$** is the divisor effective for the current trading session for the **(i)**-th security;
**D$_{i,t-1}$** is the divisor effective of the **(i)**-th security on the **(t-1)** day;

**K** is the adjustment factor *(K=1, unless the index base is changed)*.

9. The initial value of the divisor shall be 1 (one). Upon the occurrence of a corporate event that requires a change in the divisor, the value of the divisor for the next trading session shall be calculated in the following way:

$$D_{i,t+1} = \frac{N_{i,t} \times P_{i,t}}{N_{i,t}^{a} \times P_{i,t}^{a}} \times \frac{FF_{i,t(OLD)}}{FF_{i,t(NEW)}} \times \frac{W_{i,t(OLD)}}{W_{i,t(NEW)}} \times D_{i,t}$$

**Where:**

**D$_{i,t+1}$** is the divisor of the **(i)**-th security for the next trading session;
**D$_{i,t}$** is the divisor effective for the current trading session for the **(i)**-th security;
**P$^a_{i,t}$** is the adjusted price of the last trade in the **(i)**-th security after the end of the trading session on the **(t)** day in result of the occurrence of a corporate event on the **(t+1)** day;
**N$^a_{i,t}$** is the adjusted number of shares of the **(i)**-th security after the end of the trading session on the **(t)** day in result of the occurrence of a corporate event on the **(t+1)** day;
**FF$_{i,t (OLD)}$** is the value of the free-float factor of the **(i)**-th security for the **(t)** day;
**FF$_{i,t (NEW)}$** is the new value of the free-float factor of the **(i)**-th security for the **(t)** day;
**W$_{i,t (OLD)}$** is the weight factor of the **(i)**-th security for the **(t)** day;
**W$_{i,t (NEW)}$** is the new value of the weight factor of the **(i)**-th security for the **(t)** day.

When performing an index rebalancing, the divisor will assume the value of 1.

10. The Indices Committee will determine the free float quotients at its meetings, held on 01 March, 01 June, 01 September and on 01 December and in case of a non-working day, then on the first working day after. The new free-float quotients will be effective as from the third Friday of the month, when the meeting was held.

11. If as of 1st March, 1st June, 1st September and 1st December the market capitalisation of a company, adjusted by its free-float, exceeds 15 (fifteen) per cent of the total market capitalisation, adjusted by the free-float of SOFIX, the weight factor of the respective company shall be defined so that its market capitalisation, adjusted by its free-float, to equal 15 (fifteen) per cent of the total market capitalisation, adjusted by the free-float of SOFIX.

12. When defining the weight factors, the free-float factors for the new period shall be taken into consideration.

13. The free-float factors and the weight factors shall be effective until performance of a new meeting on the respective date as per item 10.

14. Decisions for a change in the SOFIX basis will be taken twice a year at the first meeting attended by the members of the Board after 01 March and after 01 September. The decisions will be effective as from the third Friday of the month, when the meeting was held.

15. A change in the base of SOFIX (the issues included in its calculation) shall be made on the grounds of a Decision of the Board of Directors of BSE-Sofia in pursuance with Section V of the Rules for Calculating the Indices of BSE-Sofia. In this case, the adjustment factor for the next day, i.e. the (t+1) day shall be calculated in the following way:

$$K_{t+1} = \frac{SOFIX_{oldbase}}{SOFIX_{newbase}}$$

**Where:**

**SOFIX** $_{old\ base}$ is the value of the index after the end of the session.
**SOFIX** $_{new\ base}$ is the value of the index after the end of the session but calculated using the new base.

Once the index base is changed, the adjustment factor K shall be reset to 1 (one).

# Annex 2

# Methodology for Calculation of BG 40

1. BG 40 shall be an index based on the price performance of the constituent issues and shall cover the issues of shares of the Top 40 companies graded by the number of transactions executed in the last 6 (six) months. When calculating the number of transactions, only the trades during the continuous trading on the Exchange (by matching asks and bids or market-maker quotations) shall be taken into consideration.

2. In addition to the requirements as per item 6 of these Rules, an issue included in the index base of BG 40 shall meet the following condition:
   a) To have been traded on a market, organised by the Exchange, for at least 3 (three) months before its introduction into the BG 40 portfolio. Provided an issue has been transferred for trading from one market segment to another, the first quotation date of the issue shall be assumed as its first trading date.

3. BG 40 shall be calculated as follows: its base value shall be multiplied by the ratio between the sum of the adjusted by the divisor of each company prices of last trades in the shares, included in the index at the current moment, and the sum of the prices of last trades in the shares of the companies at the base moment, and the result then shall be multiplied by the index base adjustment factor.

4. The interval, at which the BG 40 values shall be computed throughout the trading session, shall be 1 (one) minute.

5. If there is no transaction in shares of a certain company during a trading session, then the price of the last trade in the respective issue shall be taken into consideration for the purposes of the index. When calculating the index, only the prices of trades executed during the continuous trading on the Exchange (by

matching asks and bids or market-maker quotations) shall be taken into consideration.

6. Formula for calculation of BG 40:

$$BG\,40_t = BG\,40_{t-1}\left[\frac{\sum_{I=1}^{40}P_{i,t\,X}\,D_{i,t}}{\sum_{I=1}^{40}P_{i,t-1}\times D_{i,t-1}}\right]\times K$$

**Where:**

**BG 40** is an index of the regulated markets of BSE-Sofia;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day;
$P_{i,t-1}$ is the price of the last trade in the **(i)**-th security on the **(t-1)** day;
$D_{i,t}$ is the divisor effective for the current trading session for the **(i)**-th security;
$D_{i,t-1}$ is the divisor effective of the **(i)**-th security on the **(t-1)** day;
**i** is the indicator of the specific security;
**t** is the day, for which the index is calculated;
**K** is the adjustment factor *(K=1, unless the index base is changed)*.

7. The initial value of the divisor shall be 1 (one). Upon the occurrence of a corporate event that requires a change in the divisor, the value of the divisor for the next trading session shall be calculated in the following way:

$$D_{i,t+1} = \frac{P_{i,t}}{P_{i,t}^a}\times D_{i,t}$$

**Where:**

$D_{i,t+1}$ is the divisor of the **(i)**-th security for the next trading session;
$D_{i,t}$ is the divisor effective for the current trading session for the **(i)**-th security;
$P_{i,t}^a$ is the adjusted price of the last trade in the **(i)**-th security after the end of the trading session on the **(t)** day in result of the occurrence of a corporate event on the **(t+1)** day;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day.

When performing an index rebalancing, the divisor will assume the value of 1.

After occurrence of the corporate event, as from the day following the day of execution of a trade in the respective issue, the value of the divisor shall be reset to 1 (one).

8. Decisions for a change in the BG40 basis will be taken twice a year at the first meeting attended by the members of the Board after 01 March and after 01 September. The decisions will be effective as from the third Friday of the month, when the meeting was held.

9. A change in the base of BG 40 (the issues included in its calculation) shall be made on the grounds of a Decision of the Board of Directors of BSE-Sofia in pursuance with Section V of the Rules for Calculating the Indices of BSE-Sofia. In this case, the adjustment factor for the next day, i.e. the (t+1) day shall be calculated in the following way:

$$K_{t+1} = \frac{BG\,40_{oldbase}}{BG\,40_{newbase}}$$

**Where:**
**BG 40** $_{old\ base}$ is the value of the index after the end of the session.
**BG 40** $_{new\ base}$ is the value of the index after the end of the session but calculated using the new base.

Once the index base is changed, the adjustment factor K shall be reset to 1 (one).

# Annex 3
# Methodology for Calculation of BG REIT

1. BG REIT shall be an index based on the free-float-adjusted market capitalisation of some special investment purpose companies that operate in the field of securitisation of real estates and/or land, i.e. real estate investment trusts (REITs).

2. In addition to the requirements as per item 6 of these Rules, an issue included in the index base of BG REIT shall meet the following criteria:

    a) To have been traded on a market, organised by the Exchange, for at least 3 (three) months before its introduction into the BG REIT portfolio. Provided an issue has been transferred for trading from one market segment to another, the first quotation date of the issue shall be assumed as its first trading date;

    b) The market capitalisation of the issue shall not be less than BGN 5,000,000 (five million Bulgarian Leva);

    c) The value traded in the issue during the last 12 (twelve) months shall not be less than BGN 1,500,000 (a million and five hundred thousands Bulgarian Leva) or the number of trades in the issue during the last 12 (twelve) months shall not be less than 750 (seven hundred and fifty) transactions;

    d) The free-float (number of shares hold by minority shareholders, i.e. by holders of not more than 5 per cent of the votes in the General Meeting of the issuing company) shall not be less than 15 (fifteen) per cent of the total volume of the issue;

3. When calculating the traded value and the number of transactions, only the trades during the continuous trading on the Exchange (by matching asks and bids or market-maker quotations) shall be taken into consideration.

4. The BG REIT daily value shall be calculated as its base value is multiplied by the ratio of the sum of the adjusted by the divisor, the weight factor and by the free-float

of each company market capitalisations of all issues in the index portfolio at the current moment, towards the sum of the adjusted by the weight factor and by the free-float market capitalisations at the base moment.

5. The interval, at which the BG REIT values shall be computed throughout the trading session, shall be 1 (one) minute.

6. The market capitalisation of the issue of each company shall be defined as a product of the number of shares of the respective issue and the price of the last trade in this issue.

7. If there is no transaction in shares of a certain company during a trading session, then the price of the last trade in the respective issue shall be taken into consideration for the purposes of the index. When calculating the index, only the prices of trades executed during the continuous trading on the Exchange (by matching asks and bids or market-maker quotations) shall be taken into consideration.

8. Formula for calculation of BG REIT:

$$BG\ REIT_t = BG\ REIT_{t-1} \times \left[ \frac{\sum_{i=1}^{n} N_{i,t} \times P_{i,t} \times FF_{i,t} \times W_{i,t} \times D_{i,t}}{\sum_{i=1}^{n} N_{i,t-1} \times P_{i,t-1} \times FF_{i,t-1} \times W_{i,t-1} \times D_{i,t-1}} \right] \times K$$

**Where:**
**BG REIT** is a sectoral (industry) index of BSE-Sofia;
$N_{i,t}$ is the number of shares of the respective issue on the **(t)** day;
$N_{i,t-1}$ is the number of shares of the respective issue on the **(t-1)** day;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day;
$P_{i,t-1}$ is the price of the last trade in the **(i)**-th security on the **(t-1)** day;
$FF_{i,t}$ is the free-float of the **(i)**-th security on the **(t)** day;
$FF_{i,t-1}$ is the free-float of the **(i)**-th security on the **(t-1)** day;
$W_{i,t}$ is the weight factor of the **(i)**-th security on the **(t)** day *($W_i$ =1 unless the weight of the security would exceed 20 % of the index)*;
$W_{i,t-1}$ is the weight factor of the **(i)**-th security on the **(t-1)** day ;

**n** is the number of issues included in the index portfolio;
**i** is the indicator of the specific security;
**t** is the day, for which the index is calculated;
$D_{i,t}$ is the divisor effective for the current trading session for the **(i)**-th security;
$D_{i,t-1}$ is the divisor effective of the **(i)**-th security on the **(t-1)** day;
**K** is the adjustment factor *(K=1, unless the index base is changed)*.

9.  The initial value of the divisor shall be 1 (one). Upon the occurrence of a corporate event that requires a change in the divisor, the value of the divisor for the next trading session shall be calculated in the following way:

$$D_{i,t+1} = \frac{N_{i,t} \times P_{i,t}}{N_{i,t}^{a} \times P_{i,t}^{a}} \times \frac{FF_{i,t(OLD)}}{FF_{i,t(NEW)}} \times \frac{W_{i,t(OLD)}}{W_{i,t(NEW)}} \times D_{i,t}$$

**Where:**

$D_{i,t+1}$ is the divisor of the **(i)**-th security for the next trading session;
$D_{i,t}$ is the divisor effective for the current trading session for the **(i)**-th security;
$P_{i,t}^{a}$ is the adjusted price of the last trade in the **(i)**-th security after the end of the trading session on the **(t)** day in result of the occurrence of a corporate event on the **(t+1)** day;
$N_{i,t}^{a}$ is the adjusted number of shares of the **(i)**-th security after the end of the trading session on the **(t)** day in result of the occurrence of a corporate event on the **(t+1)** day;
$FF_{i,t(OLD)}$ is the value of the free-float factor of the **(i)**-th security for the **(t)** day;
$FF_{i,t(NEW)}$ is the new value of the free-float factor of the **(i)**-th security for the **(t)** day;
$W_{i,t(OLD)}$ is the weight factor of the **(i)**-th security for the **(t)** day;
$W_{i,t(NEW)}$ is the new value of the weight factor of the **(i)**-th security for the **(t)** day.

When performing an index rebalancing, the divisor will assume the value of 1.

10. The Indices Committee will determine the free float quotients at its meetings, held on 01 March, 01 June, 01 September and on 01 December and in case of a non-working day, then on the first working day after. The new free-float quotients will be effective as from the third Friday of the month, when the meeting was held.

11. If as of 1st March, 1st June, 1st September and 1st December the market capitalisation of a company, adjusted by its free-float, exceeds 20 (twenty) per cent

of the total market capitalisation, adjusted by the free-float of BG REIT, the weight factor of the respective company shall be defined so that its market capitalisation, adjusted by its free-float, to equal 20 (twenty) per cent of the total market capitalisation, adjusted by the free-float of BG REIT.

12. When defining the weight factors, the free-float factors for the new period shall be taken into consideration.

13. The free-float factors and the weight factors shall be effective until performance of a new meeting on the respective date as per item 10.

14. Decisions for a change in the BGREIT basis will be taken twice a year at the first meeting attended by the members of the Board after 01 March and after 01 September. The decisions will be effective as from the third Friday of the month, when the meeting was held.

15. A change in the base of BG REIT (the issues included in its calculation) shall be made on the grounds of a Decision of the Board of Directors of BSE-Sofia in pursuance with Section V of the Rules for Calculating the Indices of BSE-Sofia. In this case, the adjustment factor for the next day, i.e. the (t+1) day shall be calculated in the following way:

$$K_{t+1} = \frac{\text{BG REIT}_{oldbase}}{\text{BG REIT}_{newbase}}$$

**Where:**
**BG REIT** $_{old\ base}$ is the value of the index after the end of the session.
**BG REIT** $_{new\ base}$ is the value of the index after the end of the session but calculated using the new base.

Once the index base is changed, the adjustment factor K shall be reset to 1 (one).

# Annex 4
# Methodology for Calculation of BG TR30
# (BG Total Return 30)

1. BG TR30 shall be an index based on the price performance of the shares included in the index portfolio, as each issue shall have equal weight.

2. The number of the issues included in the index portfolio (index base) shall be 30 (thirty). The initial value of the index shall be 1,000 (a thousand) points.

3. In addition to the requirements as per item 6 of these Rules, an issue included in the index base of BG TR30 shall meet the following conditions:
   a) The market capitalisation of the issue shall not be less than BGN 10,000,000 (ten million Bulgarian Leva);
   b) The free-float (number of shares hold by minority shareholders, i.e. by holders of not more than 5 per cent of the votes in the General Meeting of the issuing company) shall not be less than 10 (ten) per cent of the total volume of the issue;
   c) The size (amount) of the issue shall not be less than 250,000 (two hundred and fifty thousands) shares.

4. All issues meeting the conditions as per item 3 shall be ranked to the following criteria of equal weight:
   - Market capitalisation;
   - Number of transactions during the last 12 (twelve) months;
   - Turnover (value traded) during the last 12 (twelve) months;
   - Free-float.

5. In case of more than two companies belonging to one economic group (for the purposes of a consolidated financial report preparing), all compliant with the

conditions as per item 3, only the top two companies graded descending by market capitalisation shall be admitted to the ranking as per item 4.

6. BG TR30 shall cover the top 30 (thirty) issues of all issues ranked as per item 4.

7. The BG TR30 daily values shall be calculated as a sum of the products of the price of the last trade and the respective weight factor of all issues included in the index base.

8. The interval, at which the BG TR30 values shall be computed throughout the trading session, shall be 1 (one) minute.

9. If there is no transaction in shares of a certain company during a trading session, then the price of the last trade in the respective issue shall be taken into consideration for the purposes of the index. When calculating the index, only the prices of trades executed during the continuous trading on the Exchange (by matching asks and bids or market-maker quotations) shall be taken into consideration.

10. Formula for calculation of BG TR30:

$$BG\ TR30_t = \sum_{I=1}^{30}[(P_{i,t} \times D_{i,t} + \sum Div_{i,t}) \times W_{i,t}]$$

**Where:**

**BG TR30** is an index of the regulated markets of BSE-Sofia;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day;
$D_{i,t}$ is the divisor effective for the current trading session for the **(i)**-th security;
$Div_{i,t}$ is the sum of the dividends distributed within the period between two dates of re-balancing of the index;

$W_{i,t}$ is the weight factor of the **(i)**-th security on the **(t)** day;
**i** is the indicator of the specific security;
**t** is the day, for which the index is calculated.

11. The initial value of the divisor shall be 1 (one). Upon the occurrence of a corporate event that requires a change in the divisor, the value of the divisor for the next trading session shall be calculated in the following way:

$$D_{i,t+1} = \frac{P_{i,t}}{P_{i,t}^{a}}$$

**Where:**

$D_{i,t+1}$ is the divisor of the **(i)**-th security for the next trading session;
$P^{a}_{i,t}$ is the adjusted price of the last trade in the **(i)**-th security after the end of the trading session on the **(t)** day in result of the occurrence of a corporate event on the **(t+1)** day;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day.

12. Upon the occurrence of several corporate events that require a change in the divisor of a certain security, the divisor shall equal the product of the divisors related to each of the corporate events.

13. If a company included in the BG TR30 portfolio distributes dividend, the value of the respective dividend shall be capitalised into the index by adding it in the **Div** field.

14. The index will be rebalanced four times per year on the third Friday of the last month of each calendar quarter

15. Formula for re-balancing of BG TR30:

$$W_{i,t+1} = \frac{BG\ TR30_{t}}{30 \times P_{i,t}}$$

**Where:**

**BG TR30** $_t$ is the value of the index on the **(t)** day;
$P_{i,t}$ is the price of the last trade in the **(i)**-th security on the **(t)** day;
$W_{i,t+1}$ is the weight factor of the **(i)**-th security for the **(t+1)** day.

16. The new weight factors shall be immediately announced in the BSE Official Bulletin and shall become effective for the next trading session following the index re-balancing.

17. After index re-balancing, the divisors shall be reset to the value of 1 (one) and the dividend values - to 0 (zero).

18. Decisions for a change in the BG TR30 basis will be taken once per year at a meeting attended by the members of BSE-Sofia Board of Directors, held in the time frame 01 - 20 August. The decisions will be effective as from the third Friday of September.

19. The share prices of the companies, which will be included in the index, will be taken into consideration when performing an index rebalancing.

20. In case of a change in the base of BG TR30 in pursuance with item 20 of these Rules, the weight factors of the new issues shall be defined so that each new issue to have equal weight. The total weight of the new issues shall equal the total weight of the issues that have been removed from the index portfolio.