



## FTSE UK Index Series - Ground Rule Update

29 October 2020

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FTSE Russell would like to inform clients of the following clarification updates to the FTSE UK Index Series Ground Rules which are effective immediately.

- Section 8.3.4 (Periodic Review of Constituents)

### Reviewing companies for the FTSE 100 and FTSE 250:

A **company** will be inserted at the periodic review if it rises above the position stated below:

FTSE 100 - Risen to 90<sup>th</sup> or above

FTSE 250 - Risen to 325<sup>th</sup> or above

A **company** will be deleted at the periodic review if it falls below the position stated below:

FTSE 100 - Fallen to 111<sup>th</sup> or below

FTSE 250 - Fallen to 376<sup>th</sup> or below

- Section 8.5.4 (Periodic Review of Constituents)

The addition of a new security to the FTSE 100 index will be implemented after the close of business on the fifth business day of trading. In the event of the fifth business day of trading being in close proximity to an index review, FTSE may use its discretion to include a fast entrant at the index review date following advance notice. **If the addition results in there being more than 100 companies in the FTSE 100 Index, the company** which is the lowest ranking constituent of the index will be selected for removal and related indexes adjusted in accordance with Rules 9.4.2 and 9.4.3.

- Section 9.6.2 (Corporate Actions and Events)

### Suspension of Dealing

Suspension of dealing rules can be found within the Corporate Actions and Events Guide.

If the suspended **company** deleted from the indexes is a constituent of the FTSE 100, it will be replaced with the highest ranking company on the FTSE 100 Reserve List.

- Appendix C (FTSE 350 Yield indexes - Review Process and Maintenance)

### Corporate Event Changes

C) Mergers and demergers in the FTSE 350 Yield Indexes will follow the FTSE 350 Index.

- Step C1: The acquiring company will remain a constituent of the relevant FTSE 350 Yield Index. The constituent being acquired is deleted on the effective date of the acquisition.
- Step C2: If a constituent splits and forms two or more **companies** and any of the new entities are retained in the FTSE 350 Index, those new entities will be retained in the same FTSE 350 Yield Index as their parent **company** until the next periodic review.
- Step C3: If a constituent is deleted and replaced by a **company** on the FTSE 250 Reserve List, the replacement **company** will be added to the FTSE 350 Higher Yield Index if it is greater than the dividend yield of the FTSE 350 Index. Otherwise, it will be added to the FTSE 350 Lower Yield Index.

An updated copy of the FTSE UK Index Series Ground Rules (v14.5) is now available using the following link: [FTSE\\_UK\\_Index\\_Series.pdf](#)

Or on the FTSE Russell website: [www.ftserussell.com](http://www.ftserussell.com)

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