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INDXX 500 INDEX METHODOLOGY

CONTENTS

1. INDXX 500 INDEX	2
1.1 INDEX DESCRIPTION	2
1.2 CREATION OF MASTER LIST	2
1.2.1 Initial Universe	2
1.2.2 Free Float	2
1.2.3 Maximum Price	2
1.2.4 Security Type	2
1.2.6 Share Classes	3
1.3 FINAL COMPOSITION	3
1.4 WEIGHTING	3
1.5 BUFFER RULES	3
1.6.1 Market Capitalization	3
1.6.1 Liquidity	3
1.6.3 Free Float	3
1.6 RECONSTITUTION AND REBALANCING RULES	3
1.7 CORPORATE ACTIONS	4
2. DISCLAIMER	5

1. INDXX 500 INDEX

1.1 INDEX DESCRIPTION

The Indxx 500 Index provides exposure to the 500 largest US securities, as measured by market capitalization.

The index has a base date of April 29, 2005 with an initial value of 1,000.

The index is currently available in the following versions:

- Price Return (Ticker: INX)
- Total Return (Ticker: INXT)

1.2 CREATION OF MASTER LIST

1.2.1 Initial Universe

To be eligible for inclusion in the Initial Universe, securities must have:

- Their primary listing in US. For those securities whose primary listing is not US, the country of incorporation should be US.
- Primary listing of company must be on US exchanges (NYSE, NASDAQ or NYSE MKT LLC).
- A minimum market capitalization of \$2 billion.
- A 6-month average daily turnover greater than or equal to \$5 million.
- A minimum of monthly volume over six months should be at least 250,000.
- Traded for at least 90% of the total trading days over the last 6 months on their respective stock exchanges.

1.2.2 Free Float

All securities must have a minimum free float equivalent to 50% of shares outstanding.

1.2.3 Maximum Price

Securities trading at a price of \$10,000 or above are ineligible for inclusion in the universe. This rule is not applicable for existing constituents. Existing constituents shall remain in the universe irrespective of their stock price.

1.2.4 Security Type

The following security types are eligible for inclusion:

- Common Stock
- Master Limited Partnership
- Limited Partnership and REITS

1.2.6 Share Classes

If multiple share classes exist for a company, all share classes will be considered for inclusion in the portfolio.

1.3 SECURITY SELECTION PROCESS

All the securities which qualify the above mentioned criterion are included in the 'Selection List' for the index.

1.4 FINAL COMPOSITION

From the Selection List:

- Top 500 companies by company-level market capitalization will form the final index.

1.5 WEIGHTING

The index is weighted as follows:

- Components are weighted based on their security-level free float market capitalization.

1.6 BUFFER RULES

Buffer Rules are employed to reduce Portfolio Turnover. The following buffer rules apply:

1.6.1 Market Capitalization

An existing index constituent shall continue to remain in the index if company is a part of top 600 companies by company level market-cap in current Master-list.

1.6.1 Liquidity

An existing index constituent shall continue to remain in the index if its 6 months average daily traded value is greater than US\$ 4 million.

1.6.3 Free Float

An existing index constituent shall continue to remain in the index if its security level free float is above 40%.

1.7 RECONSTITUTION AND REBALANCING RULES

- The index follows an annual reconstitution. The new portfolio becomes effective at the close of last trading day of April each year. This day is called the 'Effective Day.'

- The security selection and portfolio creation process start on the close of last trading day of March each year, called the 'Selection Day.' The selection list is created based on the data as of the Selection Day.
- Weights are calculated five working days prior to the Effective Day. Index Shares are frozen using weights as of this day.

1.8 CORPORATE ACTIONS

Indxx standard Corporate Actions for market cap weighted indices apply. The corporate action guidebook is present in the Announcements section of our website, under 'Index Documents'.

2. DISCLAIMER

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