



INDEX METHODOLOGY

NASDAQ-100 DORSEY WRIGHT MOMENTUM INDEX

NDXDWA

INDEX DESCRIPTION

The Nasdaq-100 Dorsey Wright Momentum Index is designed to track the performance of the 21 securities from the Nasdaq-100 Index with highest momentum. Each security must meet certain momentum requirements, and the securities selected for the index are equally weighted at each Reconstitution.

SECURITY ELIGIBILITY CRITERIA

Parent index

The Nasdaq-100 Dorsey Wright Momentum Index (NDXDWA) consists of securities selected from the Nasdaq-100 (NDX) as of the Index Reconstitution Effective Date. Please refer to NDX's methodology for further information on its constituent selection. Other than deriving the constituent universe from NDX, Nasdaq operates NDXDWA entirely independently from NDX, including handling of corporate actions.

INDEX CALENDAR

Reconstitution schedule

The Index Reconstitution is conducted quarterly in January, April, July and October.

Reconstitution reference dates

The Security Eligibility Criteria are applied using market data as of the second Friday in January, April, July and October.

Reconstitution announcement dates

Index Reconstitutions are announced approximately three business days prior to the effective date of the quarterly changes.

Reconstitution effective dates

Index Reconstitutions become effective at market open on the trading day following the third Friday of January, April, July and October.

Rebalance schedule

The Index is rebalanced quarterly in conjunction with the Index Reconstitution according to the Constituent Weighting Process. The reference, announcement and effective dates are the same as those of the Reconstitution.

CONSTITUENT SELECTION

Constituent selection process

At each Index Reconstitution, Dorsey Wright selects the 21 top-ranked securities based on the Dorsey Wright Nasdaq-100 Point & Figure Matrix, a technique for ranking securities by momentum, for inclusion in the Index. A description of Dorsey Wright's Point & Figure Matrix can be found in Appendix A.

CONSTITUENT WEIGHTING

Constituent weighting scheme

The Index is an equal-weighted index.

Constituent weighting process

The Index employs an equal-weight adjustment scheme: all Index Securities have equal index market capitalization.

For additional information about index weighting, see **Nasdaq Index Weight Adjustment Guidelines**.

INDEX MAINTENANCE

Deletion policy

If, at any time other than an Index Reconstitution, Nasdaq determines that an Index Security has or will undergo a fundamental alteration that would make it ineligible for Index inclusion, the Index Security is removed as soon as practicable.

Replacement policy

Index Securities are not replaced in the Index outside of the Index Reconstitution.

Addition policy

Index Securities are not added to the Index outside of the Index Reconstitution.

Corporate actions

In the periods between scheduled Index Reconstitution and Rebalance events, individual Index securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. With the exception(s) noted below, specific treatment of each type of corporate action or event is described in **Nasdaq Corporate Actions and Events Manual – Equities**, which is incorporated herein by reference.

In certain cases, corporate actions and events are handled according to the weighting scheme or other index construction techniques employed. Wherever alternate methods are described, the Index will follow the “Non-Market Cap Corporate Action Method.”

Index share adjustments

Other than as a direct result of corporate actions, the Index does not normally experience share adjustments between scheduled Index Reconstitution and Rebalance events.

APPENDIX A: DORSEY WRIGHT NASDAQ-100 POINT & FIGURE MATRIX RANKING AND MOMENTUM

Securities with high momentum are those whose price has appreciated more than others over a specified period. This is important as high momentum stock portfolios have been shown to outperform over time. Dorsey Wright’s Matrix ranking uses Point & Figure Relative Strength charts to create a momentum ranking of Nasdaq-100 Index constituents. Each Point & Figure Relative Strength chart plots the price ratio between two securities, which allows for an analysis of their relative price action. The Matrix creates $n \times (n-1)$ Point & Figure Relative Strength charts (where n = the number of constituents in the Nasdaq-100 Index) and ranks each security by the number of measured “buy signals” (ranked most to fewest). A Point & Figure Relative Strength chart buy signal occurs when the active column exceeds a previous column, representing a momentum breakout relative to the other security.

ADDITIONAL INFORMATION

Announcements

Nasdaq announces Index-related information via the Nasdaq Global Index Watch (GIW) website at <http://indexes.nasdaqomx.com>.

For more information on the general Index Announcement procedures, please refer to the **Nasdaq Index Methodology Policy**.

Holiday schedules

The Indexes are calculated Monday through Friday, except on days when the Nasdaq exchange is closed.

Unexpected market closures

For information on Unexpected Market Closures, please refer to the **Nasdaq Index Methodology Policy**.

Calculation types

For information on the Index calculation types as well as the mathematical approach used to calculate the Index(es), please refer to the **Nasdaq Index Policies & Procedures: Calculation Manual – Equities & Commodities**.

Recalculation and restatement policy

For information on the Recalculation and Restatement Policy, please refer to the **Nasdaq Index Recalculation Policy**.

Data sources

For information on data sources and the classification of dividends and associated tax rates, please refer to the **Nasdaq Index Methodology Policy**.

Contact information

For any questions regarding an Index, please contact the Nasdaq Index Client Services team at indexservices@nasdaq.com.

Index dissemination

Index values and weightings information are available through Nasdaq Global Index Watch (GIW) website at <https://indexes.nasdaqomx.com/> as well as the Nasdaq Global Index Flexfile Delivery Service (GIFFD) and Global Index Dissemination Services (GIDS). Similar to the GIDS offerings, Genium Consolidated Feed (GCF) provides real-time Index values and weightings for the Nordic Indexes.

For more detailed information regarding Index Dissemination, see the **Nasdaq Index Methodology Policy**.

Index calculation and dissemination schedule

The Indexes are calculated during the trading day based on the Last Sale Price and are disseminated once per second from 09:30:01 to 17:16:00 ET. The closing value of the indexes may change up until 17:15:00 ET due to corrections to the Last Sale Price of the Index Securities.

Website

For further information, please refer to Nasdaq GIW website at <https://indexes.nasdaqomx.com/>.

FTP and dissemination service

Index values and weightings are available via FTP on the Nasdaq Global Indexes FlexFile Delivery Service (GIFFD). Index values are available via Nasdaq's Global Index Dissemination Services (GIDS).

GOVERNANCE

Index governance

Nasdaq Indexes follow the same governance structure. For a detailed list of this information, please see the **Nasdaq Index Methodology Policy**.

Nasdaq Index Management Committee

A methodology document is created for all new Index Methodologies. The methodology document includes the following: Index Objective, Security Eligibility Criteria, Index Construction, Index Maintenance, Index Governance, Index Policy, and Index Dissemination.

The Nasdaq Index Management Committee approves all new Index Methodologies. This committee is comprised of full-time professional members of Nasdaq. The committee meets regularly, and reviews items including, but not limited to, pending corporate actions that may affect Index constituents, statistics comparing the composition of the indexes to the market, companies that are being considered as candidates for addition to an Index, and any significant market events.

For a detailed overview of the Index Management Committee, please see the **Nasdaq Index Methodology Policy**.

Internal reviews of methodology

For a detailed description on internal reviews of the Methodology, please see the **Nasdaq Index Methodology Policy**.

Communication with stakeholders and consultations

For a detailed description on Consultations and Communications with Stakeholders, please see the **Nasdaq Index Methodology Policy**.

Index cessation

Nasdaq has a documented procedure that is followed for Index Cessation that includes termination/retirement of an Index or Index Family.

For more information, please refer to the **Nasdaq Index Cessation Policy**.

Discretionary adjustment

This Index Methodology was created by Nasdaq to achieve the aforementioned objective of measuring the underlying purpose of each Index governed by this methodology document. Any deviations from this methodology are made in the sole judgment and discretion of Nasdaq so that the Index continues to achieve its objective.

For more information on potential adjustments including Calculation and Pricing Disruptions, Expert Judgment, and Unexpected Reconstitution or Rebalance, please refer to the **Nasdaq Index Methodology Policy**.

GLOSSARY OF TERMS AS USED IN THIS DOCUMENT

See **Nasdaq Index Methodology Policy**.

DISCLAIMER

Nasdaq may, from time to time, exercise reasonable discretion as it deems appropriate in order to ensure Index integrity, including but not limited to, quantitative inclusion criteria. Nasdaq may also, due to special circumstances, if deemed essential, apply discretionary adjustments to ensure and maintain the high quality of the index construction and calculation. Nasdaq does not guarantee that any Index accurately reflects future market performance.

Neither Nasdaq, Inc. nor any of its affiliates (collectively "Nasdaq") makes any recommendation to buy or sell any security or any representation about the financial condition of any company. Investors should undertake their own due diligence and carefully evaluate companies before investing. The information contained herein is provided for informational and educational purposes only, and nothing contained herein should be construed as investment advice, either on behalf of a particular security or an overall investment strategy. **ADVICE FROM A SECURITIES PROFESSIONAL IS STRONGLY ADVISED.**