



INDEX METHODOLOGY

NASDAQ-100 DYNAMIC PARTICIPATION INDEX

NDXDYNPT

INDEX DESCRIPTION

The Nasdaq-100 Dynamic Participation Index is designed to change the exposure to the base index (Nasdaq-100 Index[®], NDX), based on its daily closing price relative to its 10-day moving average price. At the end of each trading day, the Nasdaq-100 Index[®] value is compared to its ten-day moving average to determine the leverage amount to be effective on the following day. The leverage is capped at 100%, and the maximum total participation is 200%.

CONSTITUENT ELIGIBILITY CRITERIA

The Index may include the following component:

- Nasdaq-100 Index[®] (NDX)

INDEX CALENDAR

Rebalance schedule

The Index is rebalanced daily at market open according to the process described in Constituent Weighting.

Rebalance reference dates

The Index is rebalanced each trading day using index closing values from the preceding trading day.

Rebalance effective dates

The Index Rebalance becomes effective each trading day at market open.

CONSTITUENT SELECTION

The Index always and only includes the Nasdaq-100 Index[®] (NDX).

CONSTITUENT WEIGHTING

Each trading day, the Nasdaq-100 Index® closing value is compared to its ten-day moving average to determine the leverage amount used to calculate the Index Level. The leverage is capped at 100%, and the maximum total participation is 200%.

Moving Average on day t :

$$MA_t = \frac{1}{10} \sum_{i=1}^{n=10} NQ_{t-i}$$

where

NQ_t = NDX closing value on day t

Leverage on day t :

$$L_t = \text{Min} \left[LC, LM \times \text{Max} \left(\frac{MA_t}{NQ_t} - 1, 0 \right) \right]$$

where

Leverage Cap (LC) = 100%

Leverage Multiplier (LM) = 50

Index Level on day t :

$$N100LMR_t = N100LMR_{t-1} \times \left\{ 1 + NQR_t + L_{t-1} \times \left[NQR_t - R_{t-1} \times \frac{\text{Days}}{360} \right] \right\}$$

where

$$NQR_t = \frac{NQ_t}{NQ_{t-1}} - 1$$

R_t = Effective Federal Funds Rate on day t

Days = number of calendar days between days t and $t - 1$, excluding days t and $t - 1$

ADDITIONAL INFORMATION

Currency of Calculation and Additional Index Return Series

The Index is calculated in U.S. Dollars.

WM/Refinitiv foreign exchange rates are taken daily at 04:00 PM London time and used in the calculation of the Nasdaq Respective Indices. These mid-market fixings are calculated by The WM Company based on Refinitiv data and appear on Refinitiv pages WMRA. In addition to the indices detailed in this methodology, additional return series versions of the indices may be available, including, but not limited to: currency, currency hedged, decrement, fair value, inverse, leveraged, and risk control versions. For a list of available indices, please refer to the Nasdaq Global Index Watch (GIW) website at <http://indexes.nasdaq.com>.

Base Level and Date of the Index

The Index Value is calculated using a base value of 1,000 as of May 31, 2007.

Announcements

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

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

Holiday schedules

The Index is calculated Monday through Friday, except on days when The Nasdaq Stock Market is closed.

Unexpected market closures

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

Calculation types

For information on the underlying NDX Index calculation types as well as the mathematical approach used to calculate the Index(es), refer to the **Calculation Manual – Equities and Commodities**.

Recalculation and restatement policy

Nasdaq will communicate to the Calculation Agent when recalculations or restatements are required. For information on the Recalculation and Restatement Policy, refer to the **Nasdaq Index Recalculation Policy**.

Data sources

Nasdaq supplies the NDX closing value to the Calculation Agent.

Contact information

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

Index dissemination

The Index is published by Bloomberg and Reuters.

Index values and weightings information are available through Nasdaq Global Index Watch (GIW) website at <https://indexes.nasdaq.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, refer to the **Nasdaq Index Methodology Guide**.

Index calculation and dissemination schedule

The index is calculated with End of Day values. The End of Day values are disseminated to Nasdaq's website by the Calculation Agent, along with the base Constituent positions.

Website

For further information, refer to Nasdaq GIW website at <https://indexes.nasdaq.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

All Nasdaq Indexes are managed by the governance committee structure and have transparent governance, oversight, and accountability procedures for the index determination process. For further details on the Index Methodology and Governance overlay, refer to the **Nasdaq Index Methodology Guide**.

Nasdaq Index Management Committee

The Nasdaq Index Management Committee is responsible for the overall oversight of activities related to the development, issuance, and operation of Nasdaq Indexes. The Committee reviews and approves all new Index Methodologies as well as updates to existing methodologies. For a detailed overview of the Index Management Committee, refer to the **Nasdaq Index Methodology Guide**.

Nasdaq U.S. Oversight Committee

The U.S. Oversight Committee is responsible for the oversight of the overall Benchmark determination process and is responsible for the overall governance of the U.S.-based Index business including review and approval of the control framework, certain policies and procedures, certain methodologies and methodology changes and other Index management oversight.

For a detailed overview of the U.S. Oversight Committee, refer to the **Nasdaq Index Methodology Guide**.

Internal reviews of methodology

All new methodologies or updates to existing methodologies must be reviewed by the Index Management Committee. Additionally, all in-scope Index methodologies are subject to an annual review by the Index Management Committee and U.S. Oversight Committee. For a detailed description on internal reviews of the Methodology, refer to the **Nasdaq Index Methodology Guide**.

Communication with stakeholders and consultations

In certain circumstances, Nasdaq will seek feedback from clients and market participants via consultations. For a detailed description on Consultations and Communications with Stakeholders, refer to the **Nasdaq Index Methodology Guide**.

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, 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/Rebalances, Refer to the **Nasdaq Index Methodology Guide**.

GLOSSARY OF TERMS AS USED IN THIS DOCUMENT

For the glossary of key terms, refer to the **Nasdaq Index Methodology Guide**.

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

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