



**Alerian Midstream Energy Corporation Dividend Index  
AMCCD**

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## Introduction

### Index Objective

The Alerian Midstream Energy Corporation Dividend Index is a fundamentally weighted index based on the liquid, dividend-paying portion of the North American energy infrastructure market. They are capped, dividend weighted indexes, whose constituents earn the majority of their cash flow from midstream activities involving energy commodities. The index consists of companies taxed as corporations and additionally has an allocated exposure to MLPs (Master Limited Partnership).

### Highlights

The index represents its market through allocations to corporations (as defined by tax status) and an allocation to MLPs through an 8% holding in the Alerian MLP Index ETN (AMJB).

### Dates

Snapshot Dates: Last trading day of February, May, August, and November.

Rebalance/Reconstitution Dates: - Third Friday of March, June, September, and December.

Weight Dates: Thursday prior to the 2nd Friday of each March, June, September, and December

### Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the [Index Resources](#) page as follows:

| Supporting Documents                        |
|---|
| Index Maintenance Policy                    |
| Index Governance                            |
| Index Policies                              |
| Methodology Policies                        |
| Glossary                                    |
| Index Change and Consultation Policy        |
| Security Data – Primary Sources Methodology |

## Index Construction

### Universe

County requirements:

Have principal executive offices located in the US or Canada.

#### Company Structure:

Corporate exposure- Companies treated as corporations for tax purposes.

MLP exposure- Through a holding in the Alerian MLP Index ETN (AMJB).

#### Qualifying Activities:

All companies engaged in qualifying midstream activities involving energy commodities. The following Energy MLP Classification Standards (EMCS) activities are considered qualifying: Gathering & Processing, Liquefaction, Pipeline Transportation, Rail Terminaling, and Storage.

#### Selection

All holdings in the Universe that meet the following criteria:

##### Corporate exposure:

Dividends – Companies must have paid a dividend in the last 2 quarters.

Cash Flow – Companies earn the majority of their cash flow from the qualifying midstream activities. (Majority of cash flow is calculated on a trailing four-quarter basis using a company's reported business segments. Exceptions may be made on a case-by-case basis to accelerate the eligibility or ineligibility of companies that have been transformed by a recent acquisition.)

Trading Volume - Stocks must have a median daily trading volume of at least \$1 million for the six-month period preceding the Snapshot Date.

To reduce turnover, a buffer rule is applied for current constituents in relation to Trading Volume. Each current constituent will be kept in the Index if its median daily trading volume is at least \$0.5 million for the six-month period preceding the Snapshot Date.

##### MLP exposure:

Holdings in the Alerian MLP Index ETN (AMJB).

#### Weighting

At each reconstitution/rebalancing, the weight for each Index constituent is set in the following manner:

1. With data reflected on the Snapshot Date, each company is assigned a weighting as a proportion of aggregate annualized dividends paid. Each stock's proportion is calculated as the

shares outstanding \* annualized dividend, which is the latest dividend multiplied by 4 for quarterly dividend payers or the latest dividend multiplied by 12 for monthly dividend payers. The latest dividend is defined as the last dividend to have gone ex before the Snapshot Date.

2. Stocks are assigned Index shares and rebalance weights using the closing prices as of the Weight Date.
3. Any company with a weight greater than 10% on the Weight Date is capped at 10%.
4. All excess weight is proportionally redistributed to all uncapped stocks within the respective index.
5. If there are fewer than 10 constituents, the index will be equal-weighted.

Shares data is obtained from primary sources as detailed in the Security Data – Primary Sources Methodology document.

### Rebalancing and Reconstitution

The index is rebalanced and reconstituted on the “Rebalance/Reconstitution Date”.

Data used for rebalances/reconstitutions are as of the “Snapshot Date”.

Share weights for the rebalanced and reconstituted indexes are computed as of the “Weight Dates”.

## Index Maintenance

Please refer to the Index Maintenance Policy document for information on Corporate Actions, Data Sourcing, Pricing, Financial distress, Index Dissemination, and Data Correction Policy.

### Corporate Actions

Please refer to the Index Maintenance Policy document for information on Corporate Action processing.

### Index Calculation

Please refer to the Index Maintenance Policy document for information on index calculations.

## Governance and Policies

### Index Governance

The index is governed and managed by a VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

## Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

## Index Information<sup>1</sup>

| Index   | Price Index | Base Date | Base Value | Total Return Index | Base Date | Base Value | Net Total Return Index | Base Date | Base Value |
|---|-------------|-----------|------------|--------------------|-----------|------------|------------------------|-----------|------------|
| Alerian Midstream Energy Corporation Dividend Index | AMCCD       | 03/20/20  | 1000       | AMCCDT             | 03/20/20  | 1000       | AMCCDN                 | 03/20/20  | 1000       |

## Methodology Changes

| Date | Version | Previous | New |
|------|---------|----------|-----|
|      |         |          |     |

## Contact Information

For any questions regarding an index, please contact: [index.production@vettafi.com](mailto:index.production@vettafi.com)

## Disclaimer

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<sup>1</sup> Price ,Total Return, and Net Total Return USD versions are listed. Additional return and currency version may be published.