



XOUT U.S. Large Cap Index

XOUT

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Introduction

Index Objective

The XOUT U.S. Large Cap Index employs a quantitative rules-based methodology to identify which US Large Cap companies among the top 500 in market capitalization to eliminate, “XOUT”, based on their being disrupted by technological and secular trends.

Highlights

The Index is float-market-cap weighted and uses a proprietary quantitative methodology to exclude companies it identifies as being disrupted by technological and secular trends.

Dates

Reference Dates: Same as Weight Date.

Reconstitution Dates: Indexes reconstitute quarterly on the third Thursday¹ in May, August November, and February.

Weight Date: Monday prior to the Reconstitution Date.

Rebalance Dates: Indexes rebalance quarterly on the third Thursday in May, August November, and February.

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

¹ If this is a non- Business Day, the rebalance/reconstitution is the immediately preceding Business Day.

Eligibility Criteria and Index Construction

Universe

Top 500 constituents by market cap that have a market cap of 5 billion USD, 50% free float, and a share price under 10,000 USD of the VettaFi US Equity Large/Mid-Cap 1000 Index (SNR1000).

Index Construction

Constituent Selection

Companies within the universe are scored by a proprietary growth model. 250 companies with the highest scores are selected.

The XOUT growth model employs a proprietary model to score and weight the following fundamental growth signals to identify industry and/or secular disruption:

- Revenue growth
- Hiring growth
- Capital deployment
- Share repurchases
- Profitability
- Earnings sentiment
- Management performance

Constituent Weightings & Constraints

Constituents are float market cap weighted.

Index Maintenance

Rebalancing and Reconstitution

The Indexes are rebalanced on the “Rebalance Date” and additionally reconstituted on the “Reconstitution Date”. Pricing used in share weights used for reconstitutions are as of the “Weight Date”. Share weights for the rebalanced Indexes are computed as of the “Weight Date”. Changes to the Indexes related to the rebalances are as of the “Rebalance Date”. Additions are only made on reconstitution dates.

Corporate Actions

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

Index Information

Index history availability, base dates and base values are shown in the table below.

Index	Price Index	Base Date	Base Value	Total Return Index	Base Date	Base Value
XOUT U.S. Large Cap Index	XOUTPR	06/30/2014	49.75	XOUTTR	06/30/2014	49.75

Methodology Updates and Changes²

Date	Version	Previous	New
May 2024	1.0.0	Version 1.6 dated 24 Jun 2022	Methodology converted to new VettaFi format

Index Calculation

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

Index Governance

The index, owned by XOUT Capital LLC, is governed and administered 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.

Contact Information

For any questions regarding an index, please contact: index.production@vetafi.com

² As of May 2024