



EQM High Income Pass-Through Securities Index

HIPSTR

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Introduction

Index Objective

The EQM High Income Pass-Through Securities Index is an index designed to generate income from exposure to high income pass-through securities in the following asset categories: Closed-End Funds (CEFs), Business Development Companies (BDCs), Real Estate Investment Trusts (REITs), and Energy Master Limited Partnerships (MLPs).

Highlights

The Index has 40 constituents with 10 constituents in each of its asset categories and is equal-weighted.

Dates

Reference Dates: Five trading days prior to the Rebalance / Reconstitution Date.

Reconstitution Dates: Indexes reconstituted annually at year end.

Weight Date: Weights remain fixed from determination until implementation.

Rebalance Dates: Indexes rebalanced quarterly at the end of each calendar quarter.

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
Key Terms Glossary
Index Change and Consultation Policy
Index Termination Policy
Index Share Policy
VettaFi Country Classification System

Eligibility Criteria and Index Construction

Universe

Asset Category	Index	Ticker
Energy Master Limited Partnership	S-Network Composite MLP Index and Alerian MLP Infrastructure Index	SNMLP and AMZI
Real Estate Investment Trust	S-Network US Composite REIT Index	SNREIT
Closed End Fund	SNET Composite Closed-End Fund Index	CEFX
Business Development Company	BDC Index	BDCCX

Index Construction

Constituent Selection

The index has 40 constituents. Constituents must have an average daily traded value (ADTV) of at least 500k USD over the last 6 months. Additionally, the following market caps or market values must be met:

Closed End Funds (CEFs) : 150 million USD

Business Development Companies (BDCs): 500 million USD

Real Estate Investment Trusts (REITs): 1 billion USD

Energy Master Limited Partnerships (MLPs): 1 billion USD

The top 10 constituents within each of the four asset categories are chosen based on the highest indicated dividend yield and lowest 180-day volatility as measured by an average of the Z scores of the two measures.

Constituent Weightings & Constraints

Constituents are equal-weighted.

Index Maintenance

Rebalancing and Reconstitution

The Indexes are rebalanced on the “Rebalance Date” and additionally reconstituted on the “Reconstitution Date”. Changes to the Indexes related to the rebalances are as of the “Rebalance Date”. Additions are only made on reconstitution dates unless there are less than 10 constituents in an asset category. If an asset category has less than ten constituents, the next highest ranked securities (based on the data as of the latest rebalance reference date) are added to bring the count of the asset category up to ten.

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
EQM High Income Pass-Through Securities Index	HIPSPR	12/29/2017	100	HIPSTR	12/29/2017	100

Methodology Updates and Changes¹

Date	Version	Previous	New
May 2024	1.0.0	Version 1.1 dated 29 March 2023	Methodology converted to new VettaFi format
May 2024	1.0.1	Corrected Universe Definition From: MLP universe - SNMLP	To: MLP universe – SNMLP and AMZI
Aug 2024	1.0.2	Additions are only made on reconstitution dates.	Additions are only made on reconstitution dates unless there are less than 10 constituents in an asset category. If an asset category has less than ten constituents, the next highest ranked securities (based on the data as of the latest rebalance reference date) are added to bring the count of the asset category up to ten.

Index Calculation

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

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.

¹ As of May 2024

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@vettafi.com