



VettaFi Corporate Action Initiators Index Methodology

- VettaFi US Large Cap Dividend Initiators INIT
- VettaFi Small Cap Dividend Initiators INITS
- VettaFi Developed ex US Dividend Initiators INITD
- VettaFi US Large Cap Forward Split SPLT
- VettaFi Small Cap Forward Split SPLTS
- VettaFi Developed ex US Forward Split SPLTD

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Introduction

Index Objective

The VettaFi Corporate Action Initiator Index series are designed to give investors exposure to companies based on the initiation of corporate actions that signal expected price outperformance. The dividend initiator series seeks to capitalize on the potential growth and stability associated with companies entering a phase of dividend distribution. The forward split series focuses on companies with strong growth prospects who also are taking steps to increase the stock's affordability, encouraging new investment. The indexes are float-market capitalization weighted.

Highlights

The index series include:

Dividend Initiators – Companies that have initiated dividends.

- VettaFi Dividend Initiators Index
- VettaFi Dividend Initiators Index (Small Cap)
- VettaFi Dividend Initiators Index (Developed ex US)

Dividend Initiators – Companies that have initiated positive splits.

- VettaFi Forward Split Index
- VettaFi Forward Split Index (Small Cap)
- VettaFi Forward Split Index (Developed ex US)

Dates

Snapshot Date: The last trading day of the second month of each calendar quarter.

Record Date: Thursday before 2nd Friday of Rebalance Month.

Rebalance and Reconstitution Dates: Indexes are rebalanced and reconstituted quarterly on the third Friday of the last month 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
Glossary
Index Change and Consultation Policy

Eligibility Criteria and Index Construction

Universe

The starting universe for each index is as follows:

Index	Index Universe ¹
VettaFi Dividend Initiators	SNR1000 – VettaFi 1000 US Large Cap Index
VettaFi Dividend Initiators (Small Cap)	SNR2000 – VettaFi 2000 US Small Cap Index
VettaFi Dividend Initiators (Developed ex US)	VFDXUS – VettaFi Developed World ex US Index
VettaFi Forward Split	SNR1000 – VettaFi 1000 US Large Cap Index
VettaFi Forward Split (Small Cap)	SNR2000 – VettaFi 2000 US Small Cap Index
VettaFi Forward Split (Developed ex US)	VFDXUS – VettaFi Developed World ex US Index

Index Construction

Constituent Selection

A company needs to meet the following criteria to be selected.

Dividend Initiators:

- Paid at least one regular dividend in the prior 6 months for the US indexes and 14 months for the Developed ex US index.
- The company initiates a dividend payment plan in the prior 36 months.
- To be considered an “initiation” dividend, the company needs to have not paid a dividend in the preceding 3-year period.

Forward Split:

- Include a forward split (increased number of shares) during the preceding 3-year period.
 - The selection is not limited to a single stock split. If a forward split occurred in the past three years, the security will be selected.

Constituent Weightings & Constraints

Weights are float-market cap weighted with the following caps:

- Constituent max weight: 10%.
- Sum of portfolio security weights above 5% cannot exceed 40%.

Excess weight due to capping is distributed proportionally to the uncapped constituents.

¹ As of Rebalance/Reconstitution date.

Index Maintenance

Rebalancing

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	Base Date	Price Return	Total Return	Net Return	Base Value
VettaFi Dividend Initiators	12/17/2004	INITP	INITT	INITN	1000
VettaFi Dividend Initiators (small cap)	12/17/2004	INITSP	INITST	INITSN	1000
VettaFi Dividend Initiators (developed ex US)	12/17/2004	INITDP	INITDT	INITDN	1000
VettaFi Forward Split	12/17/2004	SPLTP	SPLTT	SPLTN	1000
VettaFi Dividend Initiators (small cap)	12/17/2004	SPLTSP	SPLTST	SPLTSN	1000
VettaFi Dividend Initiators (developed ex US)	12/17/2004	SPLTDP	SPLTDT	SPLTDN	1000

Methodology Updates and Changes

Date	Version	Previous	New

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.

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

Disclaimer

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