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NASDAQ Select Canadian Preferred Share Index Methodology Changes

NASDAQ Select Canadian Preferred Share Index (NQCAPFD)

<i>Change Type</i>	<i>Current</i>	<i>Revised</i>
Initial Eligibility	Classified as a preferred security	Classified as a preferred security, excluding securities classified as a split-share security
Initial Eligibility	The security must have a minimum median daily cash value of CAD\$50,000	Rank in the top 150 securities by three-month average daily dollar trading value
Initial Eligibility	Have traded for at least 90% of the available trade days in November and December	None
Initial Eligibility	None	The security must be “seasoned” (generally, a security is considered to be seasoned if it has been listed on a market for at least three full months (excluding the first month of initial listing))
Continued Eligibility	Have a median daily cash value of CAD\$35,000	None

<p>Continued Eligibility</p>	<p>Have traded for at least 50% of the available trade day in the two months prior</p>	<p>None</p>
<p>Continued Eligibility</p>	<p>None</p>	<p>The Continued Eligibility Criteria are reviewed on a monthly basis, with the exception of the March Evaluation. A security failing to meet these criteria will be replaced with the next eligible security after the close of trading on the third Friday of the month in which the screening was applied.</p>
<p>Evaluation</p>	<p>The Index Securities are evaluated annually in March. The above Eligibility Criteria are applied using market data through the end of November and December of the year prior. Securities are ranked in descending order by median daily cash volume (MDCV) by issuer. The three issues with the highest MDCV will be selected from each issuer. Furthermore, an existing Index Security will not be replaced by a new issue, unless the Index Security fails any of the above Continued Eligibility Criteria. The issues are then ranked in descending order by their issue level market capitalization. The top 50 constituents by market capitalization are chosen. Security additions and deletions are made effective after the close of trading on the third Friday in March.</p> <p>Additionally, if at any time during the year other than the Evaluation, an Index Security no longer meets the Eligibility Criteria, or is otherwise determined to have become ineligible for inclusion in the Index, the security is removed from the Index and is replaced. If a constituent is removed from the Index, then that issuer's next highest issue by median value will be selected. If that issuer does not have a replacement issue, then the issue with the next</p>	<p>The Index Securities are evaluated annually in March. The above Initial Eligibility Criteria are applied using market data through the end of December. Each eligible security will be scored by dividend yield and 90-day realized volatility with the highest yielding security ranking first and least volatile security ranking first. The ranks are then added together and the top 100 securities with the highest combined rank will be selected. If two securities are tied in rank, the security with the higher yield will be selected. Security additions and deletions are made effective after the close of trading on the third Friday in March.</p> <p>Additionally, if at any time during the year other than the Evaluation, an Index Security no longer meets the Continued Eligibility Criteria, or is otherwise determined to have become ineligible for inclusion in the Index, the security is removed from the Index and is replaced by the next eligible security with the highest rank determined at the prior evaluation. It will be replaced with the security that meets the Eligibility Criteria with the highest current dividend yield and lowest volatility as of the last annual Evaluation and is not currently in the Index.</p>

highest market capitalization rank. The replacement security is added to the Index at the same weight as the security that was removed.

Index Rebalancing

The Index employs a modified market capitalization weighted methodology where at each Evaluation, each issuer will be reviewed for concentration. If a single issuer's combined weight from all issued securities is greater than 10%, the collective weights of those securities will be reduced to 10% and the weight will be distributed across all remaining issues on a progressive basis.

A final check will be run to ensure that all issuers with combined weights greater than 5% do not aggregate to more than 50%. If this test is broken, a redistribution of weight from these issuers' issues will take place until the rule is met. The process is repeated, if necessary, to derive the final weights.

The Index employs a modified market capitalization weighted methodology where at each Evaluation, each issuer will be reviewed for concentration. If a single issuer's combined weight from all issued securities is greater than 8%, the collective weights of those securities will be reduced to 8% and the weight will be distributed across all remaining issues on a progressive basis. No more than five (5) issuers may be capped at 8%. If more than five (5) issuers are capped at 8% all other issuers will be capped at 4%.