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1. INDEX SUMMARY

<table>
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<th>Full Name</th>
<th>Zacks Earnings Large-Cap US Index</th>
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| Index Types                            | Price Appreciation Index (Ticker: ZAXERNL)  
Total Return Index (Ticker: ZAXERNLT) |
| Eligible Stocks                        | Common Stocks that are listed on major US exchanges |
| Number of Constituents                 | May vary over time |
| Weighting Scheme                       | Modified Equal Weighting |
| Rebalancing & Reconstitution Frequency | Announced Quarterly on the last business day in March, June, September, and December. Effective 3 business days after the announcement. |
| Calculation Frequency                  | Price Return: 15 seconds between 00:30 & 18:00 ET  
Total Return: 15 seconds between 00:30 & 18:00 ET |
| Base date                              | December 31, 1999 |
| Base level                             | Price Appreciation Index – 960.88  
Total Return Index – 1056.13 |
| Historical Returns available since     | 12/31/1999, on a daily basis |
| Bloomberg Code                         | “ZAXERNL” for Price Appreciation Index  
“ZAXERNLT” for Total Return Index |
| Reuters Code                           | “.ZAXERNL” for Price Appreciation Index  
“.ZAXERNLT” for Total Return Index |
| Derivatives and Linked Products        | ETF Securities – Zacks Earnings Large-Cap US ETF  
(ticker: ZLRG) |
2. DISCLAIMER

Cases uncovered by the rules provided in this document

Should Zacks Index Services (ZIS) encounter cases that are not covered by the rules provided in this document, ZIS reserves the right to apply adjustment to the rules that are believed to be along the lines of the purpose of the Index.

Index Rule Changes

ZIS reserves the right to amend or withdraw the index rules in whole or in part at any time. ZIS and its affiliates (Zacks Investment Management and Zacks Investment Research) are not liable for any losses resulting from the index rule changes.

Liability

Although ZIS will do its best to ensure the accuracy of all the data and the calculations involved in the periodic index updates, it is not liable for any unforeseen outcomes caused by any inaccuracy in data or human errors.

Ownership

ZIS is the owner of all intellectual and other property rights to the index, including the name, the composition and the calculation of the index.
3. INDEX METHODOLOGY

3.1. Overview

Zacks Earnings Large-Cap US Index (“the Index”, hereafter) aims to generally track the performance of the largest 1000 stocks in the U.S., while striving to outperform the comparable universe on both a market-capitalization weighted and an equally weighted basis. In its effort to deliver outperformance, Zacks relies upon two proprietary investment factors – Zacks Rank and Zacks Quality. The Zacks Rank factor focuses on Earnings Estimate Revision information, while the Zacks Quality factor focuses on Earnings Quality information.

3.2. Investable Universe

Stocks that meet the below conditions are included in the investable universe:

- U.S.-issued equity shares that trade on major exchanges within the US. OTC stocks are ineligible.
- Stocks that belong to the largest 1000 equity issues based on market capitalization.
- Per share price of at least $3.
- Average Daily Price Volume (ADPV) of at least US$10 million. (Note: A stock may need to meet either one of the two versions of ADPV calculation to be considered “investable”.)

  Version 1 – ADPV based on most recent month.
  Version 2 – ADPV based on median monthly price volume over the past 13 months.
3.3. Selection & Weighting

1. The number of stocks to be held in a sector is determined in the following manner:
   a) Count the number of stocks in each sector
   b) Divide the sum for each sector by 10.
   c) Add 3 to the quotient

For example, if a sector has 80 stocks in the largest 1000 universe, the target number of stocks for that sector is 11 (80/10 + 3). (Note: sectors are determined according to Zacks Expanded Sector classification system.)

2. Looking into each sector, those stocks with Zacks Rank rating of “Strong Buy” are selected.
   a) In case the number of “Strong Buy” stocks doesn’t reach the target number of stocks, those stocks with the best Zacks Quality scores are added as portfolio constituents until the target number of stocks is met. Regardless of Zacks Quality score, no stock with Zacks Rank rating of “Sell” or “Strong Sell” can be marked as a portfolio constituent.
   b) In case the number of “Strong Buy” stocks exceed the target number of stocks, up to 5 names in excess of the target number of stocks are marked as portfolio constituents. (Note: Preference between two or more “Strong Buy” stocks is based on the Zacks Rank raw score. Zacks Rank raw score of 1, 2, 3, 4 and 5 constitute the “Strong Buy” rating, and the raw score of 1 is the best possible score.)

3. Once the portfolio constituents are identified in step 2 above, count the number of stocks in each sector.

4. Equally weight all 16 sectors and then equally weight individual stocks within each sector. For example, 16 sectors translates into 6.25% weight per sector. (100% / 16 = 6.25%) If a particular sector has 5 portfolio constituents, each stock in that sector receives 1.25% weight (6.25% / 5 = 1.25%) in the entire portfolio.

5. Two portfolio constraints are applied:
   a) No single constituent receives more than 10% weight in the final portfolio.
   b) The sum of those stocks that individually receive over 5% of allocation may not exceed 45% of the final portfolio.
3.4. Rebalancing Frequency

The Index is to be reconstituted and rebalanced once a quarter.

3.5. Corporate Actions

The index may be adjusted for intra-rebalance corporate actions in order to maintain the continuity of the index level and composition. These adjustments take place in reaction to events that occur on the company/constituent level and are designed to mitigate or eliminate the effect of those events on the index performance. This ensures that the index continues to only reflect the performance of the underlying portfolio as accurate as possible.

Any stock that is not available for trading due to a merger, acquisition, delisting or bankruptcy is deleted from the index on the effective date of the corporate event. There will normally be no replacement for the company being deleted. If a company is removed from the index, the index divisor will be adjusted to maintain the index level.

If there is a merger or acquisition between two members of the index, then the acquired company will be deleted and the shares of the acquirer may be increased as per the terms of the merger consideration paid in shares. If there is an acquisition of a member of the index by a non-member, then the acquired company will be deleted from the index. If there is an acquisition of a non-member by a member of the index, then there will be no changes made.

If a company files for bankruptcy, then the company will be deleted from the index effective for the next trading day. The price of the deletion will be set to its closing price on the OTC markets, if it is available for trading that day. If the stock does not trade on the OTC markets, and a price is not readily available, the Index Committee reserves the right to set a price at which it will be deleted. This price could be equal to $0, if there is no available indication of its current value.

In the situation that trading in shares is suspended or halted, the last known price established during regular trading on the primary exchange will be utilized. In extraordinary situations, a company could be valued at a price of $0 by the Index Committee if there is some sort of financial distress or bankruptcy situation present.

In the event of a spin-off by a constituent of the index, the price of the parent company will be adjusted by the value of the spun-off entity. The shares of the parent company will be increased to maintain the existing constituent weighting within the index.

Regular cash dividends will be accounted for in the total return version of the index.
Dividends that are deemed to be special cash dividends will be adjusted for via a price adjustment and corresponding share increase to maintain the constituent’s existing weighting within the index. Dividends will be judged to be special by the Index Committee taking into account the size of the dividend as well as more commonly the identification of the dividend relative to the timing of its normal dividend reporting schedule.

In the case of a rights issue being offered by an index constituent, the price of that constituent will be adjusted for by the value of the right effective for the ex-date. The shares of the constituent will be increased to maintain the constituent’s existing weighting within the index. The rights issue will only be adjusted for if the rights represent a positive value, or are in-the-money. Alternatively, the rights issue will also be adjusted for if the rights can be converted into a tangible cash value.

For bonus issues, stock splits and reverse stock splits, the number of shares included in the index will be adjusted in accordance with the ratio given in the corporate action. Since the event won’t change the value of the company included in the index, the divisor will not be changed because of this.

Changes in the number of shares outstanding, typically due to share repurchases, tenders, or offerings, will not be reflected in the index.

4. Index Calculation and Dissemination

NYSE Arca, Inc., a wholly-owned subsidiary of NYSE Group, Inc. (“the Agent”, hereafter), has been selected as an index calculation agent acting on behalf of ZIS. The Agent calculates the index values for both the Price and Total Return indexes, and handles index maintenance work such as the application of corporate actions and implementation of rebalances, all according to the specifications provided by ZIS. The Agent also updates and disseminates the index values, notably, through Bloomberg and Reuters through its NYSE Global Index Feed (GIF).