ZACKS GLOBAL MULTI-ASSET INCOME INDEX (ZAXGH)
Table of Contents

1. About Zacks

2. Index Summary

3. Index Methodology
   3.1. Overview
   3.2. Investable Universe
   3.3. Constituent Criteria
   3.4. Rebalancing Frequency

4. Index Calculation & Dissemination

5. Disclaimer
1. Who is ZACKS

Zacks Investment Research
Zacks Investment Research was formed in 1978 to compile and analyze brokerage research for both institutional and individual investors. The guiding principle behind the work is the belief that there must be good reason for brokerage firms to spend over a billion dollars a year to research stocks to recommend to their clients. Obviously, these investment experts know something special that may be indicative of the future direction of stock prices. Zacks was determined to unlock that secret knowledge and make it available to clients to help them improve their investment results.

This massive undertaking requires Zacks to continually process reports issued by approximately 3,000 analysts from 150 brokerage firms. At any given point in time, Zacks is monitoring well over 200,000 earnings estimates and brokerage recommendation data points, looking for any change - whether it be an upgrade from a "hold" to a "buy" or a revision in an analyst's forecast for a specific quarter or fiscal year. Zacks constantly compiles and updates this information, distributing it to institutional investors and many financial web sites. Zacks ability to gather, analyze, and distribute information on a timely basis makes Zacks' research amongst the most widely used in the industry.

Zacks Investment Management
Zacks Investment Management (ZIM), a wealth management boutique, is an expert on earnings and using earnings estimates in the investment process. The firm is a wholly owned subsidiary of Zacks Investment Research. ZIM employs quantitative models that are made available to both retail and institutional clients through separately managed accounts and mutual funds. Zacks Index Services (ZIS), a division of ZIM, creates and maintains proprietary, quantitative portfolio strategies that are licensed to product sponsors and serve as the basis of investment products such as ETFs, UITs, and CEFs.
## 2. INDEX SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Full Name</strong></td>
<td>Zacks Global Multi-Asset Income Index</td>
</tr>
<tr>
<td><strong>Index Types</strong></td>
<td>Price Appreciation Index (Ticker: ZAXGHH)</td>
</tr>
<tr>
<td></td>
<td>Total Return Index (Ticker: ZAXGHHTR)</td>
</tr>
<tr>
<td><strong>Eligible Stocks</strong></td>
<td>All dividend-paying equities, Real Estate Investment Trusts, Closed-End Funds listed in U.S. or a developed market; U.S. listed American Depository Receipts with the country of domicile an emerging market.</td>
</tr>
<tr>
<td><strong>Number of Constituents</strong></td>
<td>175</td>
</tr>
<tr>
<td><strong>Weighting Scheme</strong></td>
<td>Modified Dividend Yield Weighted</td>
</tr>
<tr>
<td><strong>Rebalancing &amp; Reconstitution Frequency</strong></td>
<td>Effective Semiannually in June and December</td>
</tr>
<tr>
<td><strong>Calculation Frequency</strong></td>
<td>Price Return: 15 seconds between 00:30 &amp; 18:00 ET</td>
</tr>
<tr>
<td></td>
<td>Gross Total Return: 15 seconds between 00:30 &amp; 18:00 ET</td>
</tr>
<tr>
<td><strong>Base date</strong></td>
<td>12/12/2007</td>
</tr>
<tr>
<td><strong>Base level</strong></td>
<td>1000</td>
</tr>
<tr>
<td><strong>Historical Returns available since</strong></td>
<td>12/12/2007</td>
</tr>
<tr>
<td><strong>Derivatives and Linked Products</strong></td>
<td>TBD</td>
</tr>
</tbody>
</table>
3. INDEX METHODOLOGY

3.1. Overview

The Zacks Global Multi-Asset Income Index (“the Index”, hereafter) selection methodology is designed to identify companies with potentially high income and superior risk-return profiles as determined by Zacks. The objective of the Index is to select a diversified group of stocks with the potential to yield and outperform on a risk adjusted basis the MSCI EAFE Index and other benchmark indices.

The Index constituent selection methodology utilizes unique country classification, multi-factor proprietary selection rules to identify those stocks that offer the greatest potential from a yield and risk/return perspective while maintaining global diversification. The approach is specifically designed to enhance investment applications and investability. The Index is adjusted semiannually, or as required, to assure timely stock selections.

For more information please visit www.zacksindexservices.com.

3.2. Investable Universe

Creation of Country Classification:

- Eliminate countries without tradeable ETFs or countries with limited accessibility.
- Collect GDP per capital for remaining 49 countries.
- Define Developed Countries in terms of GDP per Capital above Median.
- Define Emerging Countries in terms of GDP per Capital below Median.

<table>
<thead>
<tr>
<th>Developed Countries</th>
<th>Emerging Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>Spain</td>
</tr>
<tr>
<td>Canada</td>
<td>Russia</td>
</tr>
<tr>
<td>Switzerland</td>
<td>South Africa</td>
</tr>
<tr>
<td>Austria</td>
<td>Malaysia</td>
</tr>
</tbody>
</table>
The universe of companies includes common stocks paying dividends, REITs, ADRs, and CEFs domiciled in above countries. Please refer constituent criteria section for universe screens of each sleeve.
3.3. Constituent Criteria

Creation of Developed Universe:

- Limit the Universe to securities domiciled in developed countries and United States only.
- Eliminate securities with Market Cap less than $500 million or with liquidity less than $2 million. (Note: Liquidity is defined as 3 month average daily trading value.)
- Eliminate securities with indicated dividend yield equal to zero or with negative Earnings Per Share (EPS).
- Eliminate those stocks that do not have indicated annual dividend greater than 3 year average indicated annual dividend.
- Eliminate 50% of those stocks with higher Price to Earnings (P/E) Ratio.
- Eliminate 50% of the remaining stocks with lower Return of Equity (ROE) Ratio.
- Rank the remaining stocks by dividend yield in descending order. Simultaneously, rank those stocks by Free Cash Flow yield in descending order.
- Select 100 stocks with highest Composite rank. (Note: Equally weight dividend yield rank and FCF yield rank to create a Composite rank.)
- Developed 100 Universe is weighted by dividend yield and makes up 60% of the total portfolio.

Creation of Emerging ADRs Universe:

- Limit the Universe to U.S. listed ADRs domiciled in emerging countries only.
- Eliminate securities with Market Cap less than $500 million, with liquidity less than $1 million, with zero dividend yield or with negative Earnings Per Share (EPS).
- Rank the remaining ADRs by Operation Margin in descending order and by ROE in descending order.
- Eliminate 50% securities in the remaining universe with lower Composite ranks. (Note: Equally weight Operation Margin rank and ROE rank to create a Composite rank.)
- Select 30 ADRs with highest dividend yield.
- Emerging 30 Universe is weighted by dividend yield and makes up 20% of the total portfolio.

Creation of Global REITs Universe:
• Limit the Universe to REITs domiciled in developed countries and United States only.
• Eliminate securities with Market Cap less than $500 million, with liquidity less than $2 million, with zero dividend yield, or with negative Earnings Per Share (EPS).
• Eliminate 20% REITs in the remaining universe with higher payout ratio.
• Eliminate 50% REITs in the remaining universe with lower Fund From Operation Yield. (Note: Fund from Operation Yield is equal to sum of Net Income and Depreciation & Amortization divided by Market Cap.)
• Select 30 REITs with highest dividend yield.
• Global REITs 30 Universe is weighted by dividend yield and makes up 10% of the total portfolio.

Creation of Closed-End Funds Universe:

• Limit the Universe to US listed CEFs only.
• Exclude those CEFs that do not have at least 25% of the fund’s assets invested internationally.
• Eliminate CEFs not trading at a discount, with zero dividend yield, or with less than $300 million in Assets under Management.
• Select 15 CEFs with highest dividend yield.
• CEFs Universe is weighted by dividend yield with an individual maximum weight of 1.1%; CEFs Universe makes up 10% of the total portfolio.

3.4. Rebalancing Frequency

Index reconstitution will begin semiannually after the close of the last business day of June and December. The effective date will be four business days after the last business day in June and December. Special rebalancing can occur due to corporate actions such as mergers and acquisitions.

4. Index Calculation & Dissemination

S&P Dow Jones (“the Agent”, hereafter) has been selected as the index calculation agent acting on behalf of ZIS. The Agent calculates the index value for both the Price Appreciation and Total Return indexes, and applies all the index maintenance work such as handling of stock splits, M&A activities, etc. according to the specifications provided by ZIS. The Agent also updates and disseminates the index values, notably, through Bloomberg.
5. DISCLAIMER

Cases uncovered by the rules provided in this document

Should ZIS encounter cases that are not covered by the rules provided in this document, ZIS reserves the right to apply an 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.