

Verified Intraday Indicative Value (VIIV) Price Calculation & Methodology

Trading Hours and Publication Frequency

The VIIV will be published every second during regular US market trading hours through the Consolidated Tape Association (“CTA”). The VIIV will not publish when the US exchanges are closed due to holiday or other extraordinary events. Trading hours for regular trading days are 9:30-4:00 EST.

Price Source and Methodology

The pricing source used to calculate the VIIV will be the midpoint of the national best bid and national best offer (“NBBO”) of each portfolio security as published on the consolidated tape. The VIIV is calculated by taking the sum of the product of the market price of every component in the ETF’s portfolio and the number of shares in the ETF of the respective component, adding portfolio cash and then subsequently dividing the sum by the number of ETF shares outstanding.

$$\text{VIIV} = \sum (\text{Portfolio Security Shares} \times \text{NBBO Mid Price}) + \text{Portfolio Cash} / \text{Number of ETF Shares Outstanding}$$

The VIIV is calculated on two independent pricing engines (referred to as: “VIIV1”, “VIIV2”). VIIV1 will be transmitted to the exchange. VIIV2 is used for verification.

Security Halting Procedures

A verification process compares the output of VIIV1 And VIIV2 values and there are two independent checks that occur:

- In the event the values differ by more than 25bps (0.25%) for more than 60 consecutive seconds, a trading halt for the ETF Shares will be sent to the exchange. Once the two values return to a range within 25bps, the exchange is notified to remove the trading halt on the ETF shares.
- If more than 10% (by weight) of the ETF’s portfolio components do not have market quotations readily available, a trading halt of the ETF shares will be transmitted to the exchange. Once the weight of stocks without a quoted price drops below 10%, the exchange is notified to remove the trading halt of the ETF shares.