

VIIV METHODOLOGY

Purpose

The purpose of this document is to specify the methodology for the calculation of the VIIV as specified in the approved Exemptive order.

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 CBOE BZX exchange (the "exchange") is closed due to holiday or other extraordinary event. Trading hours for regular trading days are 9:30-4:00 EST.

Price Source

The pricing source used to calculate the VIIV will be the midpoint of the national best bid and national best offer ("NBBO") of each respective security as published on the consolidated tape.

Calculation

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 and then subsequently dividing the sum by the number of ETF shares outstanding.

$$VIIV = \frac{\sum_i \text{Component}_i \cdot \text{NBBO Mid Price}}{\text{Number of ETF Shares Outstanding}}$$

Redundancy

The VIIV is calculated on two independent pricing engines (referred to as: "VIIV1", "VIIV2"). VIIV1 is transmitted to the exchange. VIIV2 is used for verification. A verification engine compares the output of these two values. In the event the values differ by more than 25bps (0.25%) for more than 60 consecutive seconds, then a trading halt for the ETF Shares will be sent to the exchange. Once the two values return to within 25bps difference, 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 does not have readily available market quotations, 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.

This material has been prepared for educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.