Tuttle Heavy Assets Low Obsolescence Index

HALX

April 2026

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Introduction

Index Objective

The Tuttle Heavy Assets Low Obsolescence Index is designed to capture companies that exhibit specific 'HALO' characteristics: Heavy Assets, Low Obsolescence, and Lower AI Disruption. The index selects 40 constituents from the VettaFi US Equity Large-Cap 500 Index (SNR500) and weights them equally, subject to sector concentration constraints.

Dates

- **Reference/Selection Date**: Close of the last business date of February, May, August, and November.
- **Weight Date**: Close of the Thursday before the 2nd Friday of March, June, September, and December.
- **Reconstitution Dates**: Indexes are reconstituted quarterly on the close of the 3rd Friday of March, June, September and December.
- **Rebalance Dates**: Indexes are rebalanced quarterly on the close of the 3rd Friday of March, June, September and December.

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the Index Resources page as follows:

Supporting Documents
Index Maintenance Policy
Index Governance
Index Policies
Methodology Policies
Glossary
Index Change and Consultation Policy
VettaFi Country Classification System

Eligibility Criteria and Index Construction

Universe

VettaFi US Equity Large-Cap 500 Index (SNR500).

Index Construction

Constituent Selection

- Number of Companies: 40
- Sector Constraints: Maximum of 8 companies per ICE sector
- Scoring: Constituents are selected based on the highest HALO Composite score

HALO Scoring Methodology

The final score is a weighted composite of the three categories: Heavy Assets (40%), Low Obsolescence (30%), and Lower AI Disruption (30%):

A. Heavy Assets (40%)

Metric[1]	**Formula/Definition**
Fixed Asset Intensity	Net PPE / Total Assets
Reinvestment Rate	5 Year average Capex on fixed assets / 5 Year average Depreciation
Capital Intensity	Gross PPE / Last 12 months revenue
Asset Replacement Cost Ratio	(Gross PPE * (1 + inflation) ^ (asset age)) / total assets
Replacement Intensity Score	((0.35 * (Net PPE / Revenue)) + (0.30 * (Capex on Fixed Assets / Revenue)) + (0.35 * (Gross PPE / Shareholders Equity)))

B. Low Obsolescence (30%)

Metric[1]	**Formula/Definition**
Revenue Stability	Standard Deviation (Revenue over 5 Years) / Mean (Revenue over 5 Years)
Gross Margin Stability	Standard Deviation (Gross Margin over 5 Years) / Mean (Gross Margin over 5 Years)

C. Lower AI Disruption (30%)

Metric[1]	**Formula/Definition**
Intangible Asset Score	Intangible Assets / Total Assets
Fixed Assets per employee	Fixed Assets / Number of Employees
Revenue per employee	Revenue / Number of employees

[1] Metric values are normalized as Z scores. The z-score above +3 is capped at +3 and z-score below -3 is capped at -3.

Constituent Weightings & Constraints

The index is Equally Weighted.

Sector Adjustments

To minimize exposure to the Technology and Media & Communications sectors, the final composite scores for companies within these sectors are discounted by 50%.

Index Maintenance

Rebalancing and Reconstitution

The Indexes are rebalanced on the "Rebalance Date" and additionally reconstituted on the "Reconstitution Date". Pricing used in share weights used for reconstitutions are as of the "Weight Date". Share weights for the rebalanced Indexes are computed as of the "Weight Date". Changes to the Indexes related to the rebalances are as of the "Rebalance Date". Additions are only made on reconstitution dates.

Corporate Actions

Please refer to the Index Maintenance Policy document for information on Corporate Action processing.

Index Information

Index history availability, base dates and base values are shown in the table below.

Index	Base Date	Base Value	Price Index	Total Return Index	Net Total Return Index
Tuttle Heavy Assets Low Obsolescence Index	12/18/2020	1000	HALXP	HALX	HALXN

Methodology Updates and Changes

Date	Version	Previous	New
April 2026	1.0.0		Initial Version

Index Calculation

Please refer to the Index Maintenance Policy document for information on index calculations.

Index Governance

The index is governed and managed by a VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

Contact Information

For any questions regarding an index, please contact: index.production@vettafi.com

Disclaimer

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