

## The Dow 5 and The Dow 10

1. Each December, the 30 stocks of the Dow Jones Industrial Average are ranked by dividend yield, based on actual paid dividends during the current calendar year, in descending order. Dividends are adjusted on a case-by-case basis for corporate actions such as mergers and acquisitions. No special dividends are included. The top ten on the list become the component stocks of The Dow 10.
2. The five lowest-priced stocks in The Dow 10 become the component stocks of The Dow 5.
3. The watch list of The Dow 10 and The Dow 5 is published on a daily basis, beginning on or about December 20, based on updated dividend data and closing prices from the previous trading day. The list stock selection list for the forthcoming year.
4. The indexes are revised after the close of trading on the last business day in December. The new components are included in the indexes at the opening of the first trading session of the new year.
5. A watch list based on year-end values will be published in January and updated at the beginning of each month. Dividend yield will be calculated based on updated dividend data over the past 12 months and the closing prices at the last trading day of the previous month.
6. The Dow 10 and The Dow 5 are equal-dollar-weighted based on their closing prices on the last trading session of the year. The indexes will not be reweighted due to price changes during the ensuing year.
7. If any Dow 10 stock is removed from the Dow Jones Industrial Average during the year, it will be removed from The Dow 10 and The Dow 5 at the same time. The noncomponent stock with the highest dividend yield on the most current watch list for The Dow 10 will replace the deleted component in The Dow 10 at the departing weight of the removed stock.
8. If the removed company also was in The Dow 5, the lowest price stock in the revised Dow 10 will be the replacement in The Dow 5.
9. If any Dow 10 or Dow 5 company is involved in a spinoff during the year, the price of the parent company will be adjusted to reflect the value of the spinoff after the close of trading on the ex-date. The spinoff will not be included in the index, but will result in a divisor adjustment being made to the price index. For the total-return index, the value of the spinoff will be "reinvested" in the current component stocks in an equal-dollar amount at the closing price on the same day.

10. If any Dow 10 company is acquired by another company by stock swap or a cash transaction, the acquired company will be removed from the index based on its closing price on its last trading day as a component of the Dow Jones Industrial Average. The noncomponent stock with the highest dividend yield on the most current watch list will be added to The Dow 10 at a weight equaling the departing weight of the removed company.
11. If the removed company also was in The Dow 5, the lowest price stock in the revised Dow 10 will be the replacement in The Dow 5. It will be added at the departing weight of the removed company.
12. The total return of both The Dow 10 and The Dow 5 will be computed based on dividend reinvestment. Cash dividends will be reinvested in all current index component stocks in an equal-dollar basis on the ex-date.
13. Special dividends issued by any component stock will be accounted for in the affected indexes by divisor adjustments. Any rights issuance of a component company will be ignored.
14. Both The Dow 10 and The Dow 5 are set at 189.60 on the base date of December 31, 1986, which is equivalent to one-tenth of the Dow Jones Industrial Average as of that date