

S&P U.S. High Quality Preferred Stock Index Consultation

NEW YORK, AUGUST 2, 2018: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on a potential change to the S&P U.S. High Quality Preferred Stock Index.

S&P DJI is seeking market feedback on expanding the types of securities eligible for index inclusion. Currently, the index is comprised of preferred stocks that are constituents of both the S&P U.S. Fixed Rate Preferred Stock Index and S&P U.S. Investment Grade Preferred Stock Index. S&P DJI is considering changing the index’s composition so that the index would include all preferred stocks that are constituents of the S&P U.S. Investment Grade Preferred Stock Index. Under this proposal, fixed rate, floating rate, and variable rate preferred stocks that are considered investment grade would be eligible for index inclusion.

For more information on the S&P U.S. Investment Grade Preferred Stock Index, please refer to its methodology available [here](#).

IMPACT ANALYSIS

The table below shows the estimated additions, deletions, and one-way turnover that would have resulted if the proposed change had been applied at the most recent index rebalancing.

Index	Additions	Deletions	One-Way Turnover
S&P U.S. High Quality Preferred Stock Index	16	0	18.7%

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

- 1. Do you agree with the proposal to modify the S&P U.S. High Quality Preferred Stock Index’s composition so that all preferred stocks that are constituents of the S&P U.S. Investment Grade Preferred Stock Index are included?**
- 2. Do you have any other comments or feedback regarding the proposed change outlined above?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. S&P DJI will make responses to consultations freely available upon request.¹ If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **August 31, 2018**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee’s final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that

¹ Individual and company names as well as contact details will be redacted.

review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices at index_services@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500[®] and the Dow Jones Industrial Average[®]. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has become home to over 1,000,000 indices across the spectrum of asset classes that have helped define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spdji.com.

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