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About the Index

The S&P 500 Dividend Aristocrats index measures the performance of large cap, blue chip companies within the S&P 500 that have followed a policy of increasing dividends every year for at least 25 consecutive years.

The "Aristocrats"

The S&P 500 Dividend Aristocrats index is a measure of performance of true blue-chip companies. Not only are the index constituents current members of the S&P 500, they have also been paying increasing dividends year after year for at least 25 years. Given these criteria, the number of "Aristocrats" within the S&P 500 has remained relatively stable over the years.

By equally weighting these companies in the index, the S&P 500 Dividend Aristocrats best represents the performance of this group and treats each constituent as a distinct investment opportunity without regard to its size.

Companies included in the S&P 500 Dividend Aristocrats index come from a broad spectrum of industries. The index portfolio has both capital growth and dividend income characteristics, as opposed to portfolios that are pure yield or pure capital appreciation oriented. Unlike stocks that focus only on high dividend yields, which are typically from the Financials and Utilities sectors, the "Aristocrats" are well diversified across all sectors.

Index Methodology

The S&P Index Committee follows a set of published guidelines for maintaining the index. Complete details of these guidelines, including the criteria for index additions and removals, policy statements, and research papers are available on the Web site at www.indices.standardandpoors.com. These guidelines provide the transparency required and fairness needed to enable investors to replicate the index and achieve the same performance as the S&P 500 Dividend Aristocrats.

CRITERIA FOR INDEX ADDITIONS

- *Universe.* Companies must be a member of the S&P 500.
- *Financial Viability.* Companies must have increased dividends every year for at least 25 consecutive years.
- *Size.* Companies must have a float adjusted market capitalization of at least US\$ 3 billion as of the rebalancing reference date.
- *Liquidity.* Companies must have an average trading volume of at least US\$ 5 million for the six-months prior to the rebalancing reference date.
- *Reconstitution.* Index constituents are reviewed annually each December.
- *Stock Diversification.* At each rebalancing, the minimum number of constituent stocks should be 40.
- *Sector Diversification.* Classification, using the Global Industry Classification Standard (GICS[®]), should not result in constituent stocks in a particular GICS sector accounting for more than a 30% weight in the index.

The stocks within the S&P 500 Dividend Aristocrats index are equally weighted. Each quarter, the weightings of the constituents are re-adjusted back to equal weight. The rebalancing coincides with the quarterly share adjustments of the S&P 500.

CRITERIA FOR INDEX DELETIONS

- During the December review, if a company's calendar-year dividends did not increase from the previous year.
- Intra-year, if the company is removed from the S&P 500.

1 GICS was developed by and is the exclusive property and a trademark of Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and MSCI Barra.

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For more information, including current data and index performance, visit our Web site:

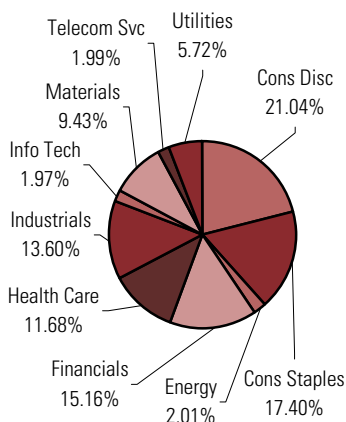
www.indices.standardandpoors.com

S&P 500 Dividend Aristocrats

December 31, 2008

S&P 500 companies that have 25 consecutive years of increasing dividends.

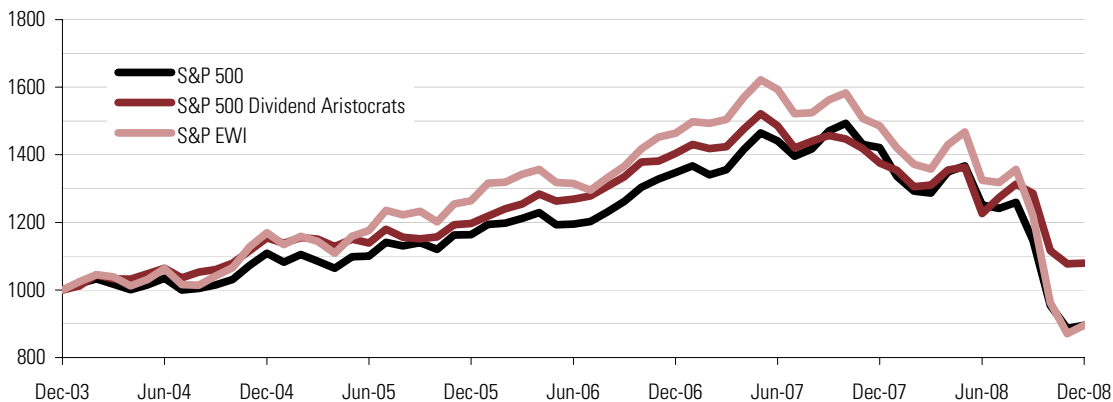
Sector Breakdown



S&P U.S. Indices

S&P Composite 1500		
S&P 500	S&P MidCap 400	S&P SmallCap 600
S&P Equal Weight Index (S&P EWI)		
S&P 500 Dividend Aristocrats		

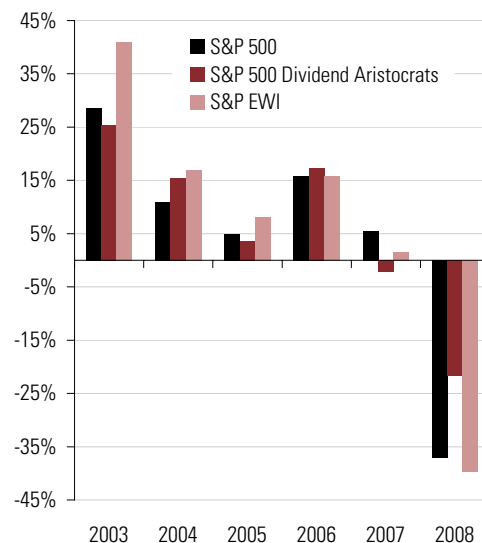
5 Year Historical Performance



Index Performance

		S&P 500 Dividend Aristocrats	S&P 500	S&P EWI
Returns	1 Month	0.11%	1.06%	2.82%
	3 Month	-16.09%	-21.94%	-26.56%
	YTD	-21.55%	-37.00%	-39.72%
Annualized Returns	1 Year	-21.55%	-37.00%	-39.72%
	3 Years	-3.41%	-8.36%	-10.84%
	5 Years	1.53%	-2.19%	-2.18%
Annualized	7 Years	2.87%	-1.53%	0.47%
	3 Years Std Dev	12.44%	15.29%	18.08%
Risk	5 Years Std Dev	10.52%	12.86%	15.53%
Sharpe Ratio	3 Years	-0.5125	-0.7364	-0.7443
	5 Years	-0.0929	-0.3460	-0.2581
Correlation	5 Years		0.8854	0.8845
Dividend Yield	Annualized	3.88%	3.14%	2.90%

Annual Performance Comparison



Tickers

BLOOMBERG SM	
S&P 500 Dividend Aristocrats	
Price	SPDAUDP
Total Return	SPDAUDT

Sector Weight Comparisons

	S&P 500 Dividend Aristocrats	S&P 500	S&P EWI
Consumer Discretionary	21.04%	8.40%	15.74%
Consumer Staples	17.40%	12.88%	8.26%
Energy	2.01%	13.34%	7.92%
Financials	15.16%	13.29%	16.83%
Health Care	11.68%	14.79%	10.89%
Industrials	13.60%	11.08%	11.78%
Information Technology	1.97%	15.27%	14.52%
Materials	9.43%	2.93%	5.57%
Telecommunication Services	1.99%	3.83%	1.82%
Utilities	5.72%	4.19%	6.66%

Number of Constituents

