Markit iBoxx GBP Liquid Corporates Long-dated Index

Independent, objective and transparent coverage and insight across all asset classes

The Markit iBoxx GBP Liquid Corporates Long-dated Index consists of liquid, GBP long-dated investment grade bonds.

Markit Indices are widely used by investors and asset managers. They benefit from multiple-contributor pricing from selected leading financial institutions, which also provide support to the index family in research and trading.

Inclusion criteria

<table>
<thead>
<tr>
<th>Bond types</th>
<th>Eligible: Fixed coupon bonds, bonds with poison put options, bonds with make-whole call or tax changes call provisions, event driven bonds, step-up bonds with known schedules, callable subordinated debt.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excluded</td>
<td>Zero coupon bonds, other callable and putable bonds, sinking funds, convertibles, preferred shares, private placements, index-linked notes, domestic issues.</td>
</tr>
<tr>
<td>Issuer type</td>
<td>Corporate debt only</td>
</tr>
<tr>
<td>Issuer cap</td>
<td>4%</td>
</tr>
<tr>
<td>Amount outstanding</td>
<td>GBP 250 million</td>
</tr>
<tr>
<td>Maximum age</td>
<td>3 years</td>
</tr>
<tr>
<td>Rating</td>
<td>All bonds need to have an average rating of investment grade. Ratings from Fitch Ratings, Moody’s Investor Service and Standard &amp; Poor’s Rating Services are considered. If more than one agency provides a rating, the average rating is attached to the bond.</td>
</tr>
<tr>
<td>Minimum time to maturity</td>
<td>1.5 years</td>
</tr>
<tr>
<td>Ranking and selection</td>
<td><strong>Issuer ranking:</strong> By notional in the Markit iBoxx GBP Overall Index. The 40 highest ranked issuers are selected.</td>
</tr>
<tr>
<td></td>
<td><strong>Bond ranking:</strong> Eligible bonds from each issuer are ranked by a liquidity score. The liquidity score is a combination of bond size, bond age, and time to maturity. The bond with the highest score is selected.</td>
</tr>
</tbody>
</table>

$1 Trillion
OTC value linked to Markit Indices

$47 Billion
in ETFs with Markit Fixed Income

8,000
bonds priced daily by 10 contributing banks

100+
licensed banks globally

Clients

Investment banks
Asset managers
Hedge funds
Insurance companies

More information

For more information on Markit indices, including access to index constituent data or to license any index for use as the basis of a financial product, please contact us at iboxx@markit.com, visit our website at markit.com/indices or call one of our regional offices:

- **London**: +44 20 7260 2000
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- **Tokyo**: +81 3 6402 0130
- **Singapore**: +65 6922 4200
- **Frankfurt**: +49 69 299 868 140
- **Amsterdam**: +31 20 502 5800

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Index details

| Pricing sources                              | Barclays Capital, BNP Paribas, Commerzbank, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, RBS and UBS. |
| Calculation frequency                        | Once per minute                                               |
| Calculation hours                            | 8.00 to 16.15 London                                          |
| Rebalancing                                  | Quarterly in accordance with rules available on www.markit.com/indices |
| Base date                                    | 31 December 1999.                                            |
| Weighting                                    | Market capitalisation.                                       |

Construction

Markit iBoxx Indices multi-dealer pricing contributions and rigorous data checks provide the clearest view of the market.

Index Weights as of December 31, 2012

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<table>
<thead>
<tr>
<th>Consumer Goods</th>
<th>Oil &amp; Gas</th>
<th>Consumer Services</th>
<th>Telecommunications</th>
<th>Financials</th>
<th>Industrials</th>
<th>Utilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>9%</td>
<td>28%</td>
<td>10%</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Raw quotes

Checking, consolidating and parsing

Individual checks

Research & design

Index rules
Market research documentation
Index calculation methodology
Data procurement
Prototyping and testing
Project management

Quality control

Manage rebalancing process
Index research and previews
Custom index development
Daily control of constituent lists
Client services
Reference database control

Receive daily price data
Price cleaning and control
Price consolidation
Quality reporting and control
Index and analytics calculation
Challenge process

Distribution

Index and data publication
Feeds to vendors
Vendor management