Markit iBoxx USD Liquid Investment Grade 0-5 Index

Independent and robust underlying index for tradable products

The Markit iBoxx USD Liquid Investment Grade 0-5 Index is designed to reflect the performance of USD denominated short duration investment grade corporate debt. The index is rebalanced on a monthly basis and only bonds from large issuers with at least $1 billion in aggregate outstanding issuance and $500 million face value per bond are included in the index. The index is weighted by market value, with a cap on each issuer of 3%.

Inclusion criteria

Bond types

| Eligible: | Fixed coupon bonds, step-up bonds with coupons schedules known at issuance (or as functions of the issuer's rating), sinking funds and amortising bonds, medium term notes, Rule 144A offerings with a registration right, callable and putable bonds. |
| Excluded: | Preferred shares, convertible bonds, bonds with other equity features attached (such as options/warrants), perpetual bonds, fixed-to-floaters, floating rate notes, pay-in-kind bonds (during the pay-in-kind period), zero coupon bonds, zero step-ups (GAINS). |

Issuer domicile

Bonds from countries classified as developed markets based on the Markit Global Economic Development Classification are eligible for the index.

Issuer type

Corporate debt only. Debt issued by governments, sovereigns, quasi-sovereigns and government-backed or guaranteed entities are not eligible.

Minimum time to maturity

6 months for new bonds, zero for existing index constituents

Time to maturity at issuance

At least 1 year

Rating

All bonds need average an investment grade rating. Ratings from Fitch Ratings, Moody's Investor Service and Standard & Poor's Rating Services are considered. The average of the ratings from those credit agencies determines the bond rating.

Amount outstanding

$500 million

Issuer size

$1 billion

Issuer cap

3%

Lockout period

3 months

Minimum run

6 months

$80 billion

AUM in ETFs

14,000+

indices

20,000+

bonds in indices

50+

price sources

500+

clients

Clients

Investment banks
Asset managers
Hedge funds
Insurance companies
ETF issuers

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
New York +1 917 441 6658
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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

<table>
<thead>
<tr>
<th>Pricing sources</th>
<th>Bonds are priced using multi-source pricing in accordance with the methodology available on <a href="http://www.markit.com/indices">www.markit.com/indices</a>.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculation frequency</td>
<td>Daily after 4:00pm GMT</td>
</tr>
<tr>
<td>Rebalancing</td>
<td>Monthly in accordance with rules available on <a href="http://www.markit.com/indices">www.markit.com/indices</a></td>
</tr>
<tr>
<td>Base date</td>
<td>April 30th 2010</td>
</tr>
<tr>
<td>Bond weighting</td>
<td>Market capitalisation</td>
</tr>
</tbody>
</table>

Construction

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

Raw data points

Validating, verifying and parsing

Publication

Internet

Vendors

Index calculation

FTP

Construction

Research & design

Index rules

Market research documentation

Index calculation methodology

Data procurement

Prototyping and testing

Project management

Index development and administration

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