

**S&P U.S. Floating Rate
Treasury Index
*Methodology***

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Introduction

Index Objective

The S&P U.S. Floating Rate Treasury Index seeks to measure the performance of the U.S. Treasury floating rate market.

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein. References throughout the methodology direct the reader to the relevant supporting document for further information on a specific topic. The list of the main supplemental documents for this methodology and the hyperlinks to those documents is as follows:

| Supporting Document | URL |
|--|---|
| S&P Dow Jones Indices' Fixed Income Policies & Practices Methodology | Fixed Income Policies & Practices |
| S&P Dow Jones Indices' Fixed Income Index Mathematics Methodology | Index Mathematics Methodology |

This methodology was created by S&P Dow Jones Indices to achieve the aforementioned objective of measuring the underlying interest of each index governed by this methodology document. Any changes to or deviations from this methodology are made in the sole judgment and discretion of S&P Dow Jones Indices so that the index continues to achieve its objective.

Eligibility Criteria

Eligibility Factors

Currency. Securities must be issued in U.S. dollars.

Country. The country of domicile must be the U.S.

Maturity. Each bond must have a maturity greater than one month from the rebalancing date. No bonds mature in the index.

Issue Type. Securities must be sovereign securities issued by the U.S. Treasury.

Coupon Type. Floating rate securities are included.

Size. A minimum par of US\$ 1 billion at each rebalancing is required.

Optionality. Bullet, callable, and puttable securities are included.

Settlement. Cash settlement bonds issued but not settled prior to the month-end rebalancing are included in the index.

Weighting. The index is weighted by market value.

Pricing. Thomson Reuters.

Sub-Indices

Current Issued U.S. Floating Rate Treasury Indices

Sub-indices based on on-the-run maturity points are available. These sub-indices of the S&P U.S. Floating Rate Treasury Index (the parent index) are one-security indices comprised of the most recently issued U.S. floating rate Treasury for the respective maturity.

Currently, S&P Dow Jones Indices offers the following sub-index:

S&P Current 2-Year U.S. Floating Rate Treasury Index. This sub-index captures the most recently auctioned maturity benchmark.

As the U.S. Treasury expands its offerings of floating rate notes and additional on-the-run maturity points are issued, other current issuance sub-indices may be created.

Index Construction

Index Calculations

The index is weighted by market value.

The total return is calculated by aggregating the interest return, reflecting the return due to paid and accrued interest, and price return, reflecting the gains or losses due to changes in the end-of-day price and principal repayments.

For more information on Index Calculations, please refer to S&P Dow Jones Indices' Fixed Income Index Mathematics Methodology.

Index Maintenance

Rebalancing

The index is reviewed and rebalanced on a monthly basis. Based on new issuance, size and maturity, the bonds in the index are subject to change each month.

The Index Committee, nevertheless, reserves the right to make adjustments to the index at any time that it believes appropriate.

Additions, deletions and other changes to the index arising from the monthly rebalancing are published, after the close of business on the announcement date. Index changes published on the announcement date are not normally subject to revision and become effective after the close on the rebalancing date.

| Rebalancing Schedule | |
|----------------------|--|
| Rebalance Frequency | Monthly |
| Rebalancing Date | Last day of the rebalancing period (T) |
| Announcement Date | T minus 2 |
| Reference Date | T minus 2 |

All days reflect after the close and count business days.

Ongoing Maintenance

The indices are also reviewed on an ongoing basis to account for the following:

- When an index bond is in default or misses an interest payment, the price reported by the pricing source is used. However, the Index Committee may determine that the bond be removed from the index at a different price and may specify a price of 0.00. The decision of the Index Committee is final.
- If an index bond is no longer priced by the pricing source, the last available price is used. However, the Index Committee may determine that a different price be used. The decision of the Index Committee is final. For clarity, index bonds that are no longer priced by the pricing source fail to meet the pricing eligibility factors and are removed at the next rebalancing date. If the bond is priced for at least one of the five business days prior to the rebalancing announcement date, the bond remains in the index. Otherwise, it is removed from the index at the subsequent rebalancing date.

Currency and Currency Hedged Indices

Additional currency and currency hedged versions of the indices, as well as maturity, sector and rating-based sub-indices, may be available. For a list of available sub-indices and tickers, please refer to S&P Dow Jones Indices' Fixed Income Index Directory available at www.spdji.com.

For more information on currency and currency hedged indices, please refer to S&P Dow Jones Indices' Fixed Income Index Mathematics Methodology.

Base Dates and History Availability

Index history availability, base dates and base value are shown in the table below.

| Index | Launch Date | First Value Date | Base Date | Base Value |
|--|-------------|------------------|------------|------------|
| S&P U.S. Floating Rate Treasury Index | 01/31/2014 | 01/31/2014 | 01/31/2014 | 100 |
| S&P Current 2-Year U.S. Floating Rate Treasury Index | 01/31/2014 | 01/31/2014 | 01/31/2014 | 100 |

Index Governance

Index Committee

The S&P Dow Jones Indices' Fixed Income Index Committee maintains the index. All committee members are full-time professionals at S&P Dow Jones Indices. Meetings are held quarterly and whenever deemed appropriate.

The Committee oversees the day-to-day management of the index, including the monthly rebalancing, determinations of intra-rebalancing changes to the index, and maintenance and inclusion policies, including additions or deletions of bonds and other matters affecting the maintenance and calculation of the index.

In fulfilling its responsibilities, the Committee has full and complete discretion to (i) amend, apply, or exempt the application of index rules and policies as circumstances may require and (ii) add, remove, or by-pass any bond in determining the composition of an index.

The Committee may rely on any information or documentation submitted to it or gathered by it that the Committee believes to be accurate. The Committee reserves the right to reinterpret publicly available information and to make changes to the index based on a new interpretation of that information at its sole discretion. All Index Committee discussions are confidential.

The Index Committee is separate from and independent of other analytical groups at S&P Global. In particular, the Index Committee has no access to or influence on decisions by S&P Global Ratings analysts.

S&P Dow Jones Indices' Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

For information on Quality Assurance and Internal Reviews of Methodology, please refer to S&P Dow Jones Indices' Fixed Income Policies & Practices document.

Index Policy

Announcements

Announcements of any relevant information pertaining to the index are made after market close.

Holiday Schedule

The index is calculated when the Securities Industry and Financial Markets Association (SIFMA®) declares the U.S. fixed income markets to be open.

A complete holiday schedule for the year is available at www.spdji.com.

Rebalancing

The Index Committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

End-of-Day Calculation

Index levels are calculated and made available at the end of each business day. On business days that SIFMA® recommends closing the U.S. fixed income markets early, index levels may be calculated at a time in accordance with the recommended early close time set for that day.

Index Releases

Releases are issued by S&P Dow Jones Indices at the end of the business day.

Recalculation Policy

For information on the recalculation policy please refer to S&P Dow Jones Indices' Fixed Income Policies & Practices document.

For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to S&P Dow Jones Indices' Fixed Income Policies & Practices document.

Contact Information

For questions regarding an index, please contact: index_services@spglobal.com.

Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at www.spdji.com, major quote vendors (see codes below), numerous investment-oriented Web sites, and various print and electronic media.

Tickers

The table below lists headline indices covered by this document. All currency, currency hedged, maturity, sector and rating-based sub-indices as well as return type versions of the below indices that may exist are also covered by this document. Please contact index_services@spglobal.com for a complete list of indices covered by this document.

| Index (Total Return) | Tickers |
|--|----------|
| S&P U.S. Floating Rate Treasury Index | SPBDTFT |
| S&P Current 2-Year U.S. Floating Rate Treasury Index | SPBDF2NT |

FTP

Daily index level data is available via FTP subscription.

For product information, please contact S&P Dow Jones Indices, www.spdji.com/contact-us.

Web site

For further information, please refer to S&P Dow Jones Indices' Web site at www.spdji.com.

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