

Volume BLOX™ Bond Indices

• Index Structure

- Most liquid, benchmark on the run Provincial Government Index structure, in C\$, selected from the constituents of the DEX Universe Bond Index (please refer to the DEX Universe Bond Index Methodology for qualification criteria)
- 6 Bonds in each respective index (Ontario & Quebec) at the terms 2, 5, 7, 10, 20, and 30 years
- Each issue utilizes its unique Amount Outstanding as reflected in the DEX Universe Bond Index to calculate the market weights
- Index constituents are rebalanced at each month end utilizing the previous three months trade volume data for each eligible issue

Dec 31/ 2008	Modified Duration	Market Value
Ontario	9.08 years	\$24.3 billion
Quebec	8.88 years	\$14.9 billion

• Security Selection Criteria

- 6 bonds to represent each of the following terms: 2, 5, 7, 10, 20, 30 years are selected for each Provincial Volume Index (Ontario & Quebec) with the following considerations:
 - Government Provincial (for each province) Bullet bond
 - on the run bond closest in term to maturity in each term bucket on rebalance date
 - most liquid bond as represented by Volume Traded in the three (3) months period directly preceding the rebalance date, as reported by Canadian clearing system data
- Exclude amortizing and / or callable issues
- Minimum issue size 300MM

