



SCI/MF&Co SRTx™ (Significant Risk Transfer Index)

The SRTx™ (Significant Risk Transfer Index) is a surveyed fixed income index suite that tracks estimated new-issue pricing spreads and market sentiment for the significant risk transfer markets in major global regions. The Index suite is comprised of a quantitative spread index, which is based on survey estimates for a representative transaction (the “SRTx™ Benchmark Deal”) containing specified terms for structure and pool/portfolio composition, and several qualitative indexes, which measure market sentiment on pricing volatility, transaction liquidity, and credit risk. The Index coverage includes the large corporate, and small & medium-sized enterprise (SME) reference pool/portfolio types, and spans the European Union (EU) and U.S. economic regions. Surveyed and recalculated monthly, the Index provides market participants with new, added transparency for the significant risk transfer market.

Key features:

The SRTx™ provides market participants with a unique index suite that provides insight into both the generic new-deal pricing estimates, as well as the market sentiment on volatility, liquidity, and credit risk for the significant risk transfer (SRT) market across major regional areas. Key features of the SRTx™ Index suite include:

- Comprised of both quantitative spread indexes, in addition to numerous qualitative facet indexes that, in conjunction, provide better transparency into levels and conditions in the SRT market.
- Covers major global economic regions and loan types that represent the majority of private risk transfer transaction activity to date. Current geographic regions and loan types within the current SRTx™ suite include:
 - European Union – €EUR
 - United States – \$USD
 - Large Corporate Loans
 - SME Loans
- The SRTx™ is a survey-based index suite that utilizes a representative SRTx™ Benchmark Deal that has a standardized set of assumptions. This allows spread and sentiment survey contributors to furnish both quantitative and qualitative responses based on the exact same transaction format.

SRTx™ Index Suite

SRTx™ SPREAD INDEXES			
Index Short Name	Index Style	SRT Category	Region
SRTx™ CORP EU	Spread (bps)	Large Corporate	EU
SRTx™ CORP US			US
SRTx™ SME EU		Small and Medium-Sized Enterprises (SMEs)	EU
SRTx™ SME US			US

SRTx™ VOLATILITY INDEXES			
Index Short Name	Index Style	SRT Category	Region
SRTx™ CORP VOL EU	Market Sentiment (Scale 0-100)	Large Corporate	EU
SRTx™ CORP VOL US			US
SRTx™ SME VOL EU		Small and Medium-Sized Enterprises (SMEs)	EU
SRTx™ SME VOL US			US

SRTx™ LIQUIDITY INDEXES			
Index Short Name	Index Style	SRT Category	Region
SRTx™ CORP LIQ EU	Market Sentiment (Scale 0-100)	Large Corporate	EU
SRTx™ CORP LIQ US			US
SRTx™ SME LIQ EU		Small and Medium-Sized Enterprises (SMEs)	EU
SRTx™ SME LIQ US			US

SRTx™ CREDIT RISK INDEXES			
Index Short Name	Index Style	SRT Category	Region
SRTx™ CORP RISK EU	Market Sentiment (Scale 0-100)	Large Corporate	EU
SRTx™ CORP RISK US			US
SRTx™ SME RISK EU		Small and Medium-Sized Enterprises (SMEs)	EU
SRTx™ SME RISK US			US

SCI/MF&Co SRTx™ (Significant Risk Transfer Index) Factsheet

Index Suite:

SRTx™ Spread Indexes – Measures the average estimated [Fixed Spread] pricing (in basis points) of a new representative SRT transaction compiled from contributor survey responses, which are provided based on generic standardized transaction terms (the SRTx™ Benchmark Deal):

- SRTx™ CORP EU (Large Corporate/European Union/€EUR)
- SRTx™ CORP US (Large Corporate/United States/\$USD)
- SRTx™ SME EU (Small and Medium-Sized Enterprises/European Union/€EUR)
- SRTx™ SME US (Small and Medium-Sized Enterprises/United States/\$USD)

SRTx™ BENCHMARK DEAL		Large Corporate SRT:	Small- and Medium-Sized Enterprises (SMEs) SRT	
Deal Structure Assumptions	Issuing Entity	Regulated, investment grade (IG)-rated, Domestic Systemically Important Bank.	Regulated, investment grade (IG)-rated, Domestic Systemically Important Bank.	
	Form	Synthetic credit linked note (CLN)	Synthetic credit linked note (CLN)	
	Tenor/Term	5 years (pro-rata)	5 years (pro-rata)	
	Reinvestment Period	2 year replenishment	2 year replenishment	
	Wtd. Avg. Life (yrs)	4.0 years	4.0 years	
	Coupon/Rate	Primary regionally-adopted benchmark 3-month money market rate + [Fixed Spread]	Primary regionally-adopted benchmark 3-month money market rate + [Fixed Spread]	
	Attachment Points	Single tranche attachment / detachment by region: EU: 0.0%-6.0% US: 0.0%-12.5%	Single tranche attachment / detachment by region: EU: 0.5%-7.5% US: 0.5%-7.5%	
Collateralization	Cash deposit held at bank, subject to maintaining IG rating	Cash deposit held at bank, subject to maintaining IG rating		
Reference Pool/Portfolio Assumptions	Borrower Classification	As per local governing authority definitions (example: European Banking Authority Capital Requirements Regulation (CRR))	As per local governing authority definitions (example: European Banking Authority Capital Requirements Regulation (CRR))	
	Jurisdiction(s)	Global	Western Europe / North America	
	Borrowing Type(s)	Term Loans/Revolving Facilities	Term Loans/Revolving Facilities	
	Constituent Count	150-300	1,000-3,000	
	Industry Concentration	10% concentration max per industry	10% concentration max per industry	
	Grades/Ratings	<i>Categorization (Internal or External):</i>		<i>Categorization (Internal or External):</i>
		IG 30% A 45% BBB HY 15% BB 10% B		0% A 50% BBB 25% BB 25% B

SRTx™ Volatility Indexes – Gauges market sentiment, compiled from contributor survey responses, for the magnitude of fixed-spread pricing volatility over the near-term based on generic standardized transaction terms (the SRTx™ Benchmark Deal). Index scale is 0-100, with levels above 50 indicating a higher proportion of respondents estimating volatility moving higher:

- SRTx™ CORP VOL EU (Volatility/Large Corporate/European Union/€EUR)
- SRTx™ CORP VOL US (Volatility/Large Corporate/United States/\$USD)
- SRTx™ SME VOL EU (Volatility/Small and Medium-Sized Enterprises/European Union/€EUR)
- SRTx™ SME VOL US (Volatility/Small and Medium-Sized Enterprises/United States/\$USD)

SRTx™ Liquidity Indexes – Gauges market sentiment, compiled from contributor survey responses, for what SRT execution conditions look like for successfully completing a deal over the near-term, based on generic standardized transaction terms (the SRTx™ Benchmark Deal). Index scale is 0-100, with levels above 50 indicating a higher proportion of respondents estimating liquidity worsening:

- SRTx™ CORP LIQ EU (Liquidity/Large Corporate/European Union/€EUR)
- SRTx™ CORP LIQ US (Liquidity/Large Corporate/United States/\$USD)
- SRTx™ SME LIQ EU (Liquidity/Small and Medium-Sized Enterprises/European Union/€EUR)
- SRTx™ SME LIQ US (Liquidity/Small and Medium-Sized Enterprises/United States/\$USD)

SRTx™ Credit Risk Indexes – Gauges market sentiment, compiled from contributor survey responses, on the direction of fundamental SRT reference pool/portfolio credit risk over the near-term, based on generic standardized transaction terms (the SRTx™ Benchmark Deal). Index scale is 0-100, with levels above 50 indicating a higher proportion of respondents estimating credit risk worsening:

- SRTx™ CORP RISK EU (Credit Risk/Large Corporate/European Union/€EUR)
- SRTx™ CORP RISK US (Credit Risk/Large Corporate/United States/\$USD)
- SRTx™ SME RISK EU (Credit Risk/Small and Medium-Sized Enterprises/European Union/€EUR)
- SRTx™ SME RISK US (Credit Risk/Small and Medium-Sized Enterprises/United States/\$USD)

Input Data Protocols:

Calendar – The Index will follow the US and UK bond market trading day and holiday schedule as publicly released by the Securities Industry and Financial Markets Associations (SIFMA), and European Securities and Markets Authority (ESMA).

Timing – Index contributor survey submissions will be taken as of each respective Index fixing day, by 9:00AM local time the same business day. Index Fixing Days will be the last trading day of every respective month.

Index Input Sources – Index input data will be obtained via standardized survey format, provided by approved SRTx™ contributors (who have agreed to the SRTx™ Submitter Terms and Conditions).

Calculation Protocols:

Frequency – The Index is calculated and rebalanced monthly, on the last trading day of the month (the Index Fixing Day).

Index Licensor - Structured Credit Investor (SCI)

Calculation Agent - Mark Fontanilla & Co., LLC (MFCo)

* See SRTx™ Methodology for specific methods, determinations, and calculations

For information on SRTx™ licensing requirements, data usage, and redistribution of the SRTx™ suite of indexes, please contact:

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