



## Investors Exchange Product Information Circular 2016 - 0226

**Date:** August 31, 2016

**Re:** Barclays ETN+ Shiller CAPE Exchange Traded Notes

Investors' Exchange LLC commenced operating as a national securities exchange on August 19, 2016 followed by a two-week security-by-security phase-in period. This Information Circular is being issued to advise you that the following security has been approved for trading pursuant to unlisted trading privileges ("UTP") on the Exchange as UTP Derivative Securities pursuant to IEX Rule 16.160, and will begin trading on IEX during the phase-in period. See [the Exchange's Website](#) for the phase-in schedule.

<u>Security ("Notes")</u>	<u>Symbol</u>
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Barclays ETN+ Shiller CAPE Exchange Traded Notes	CAPE
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**Issuer/Trust:** Barclays Bank PLC

**Primary Listing Exchange:** NYSE Arca

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product on the Exchange, as well as to provide certain characteristics and features of the Notes.

### **Background Information on the Notes**

Barclays Bank PLC ("UBS" or the "Issuer") has issued leveraged Exchange Traded Notes ("ETNs" or "Notes" or "Securities") linked to the linked to the Shiller Barclays CAPE US Core Sector Index (the "Index"). The Notes do not guarantee and return of principal at maturity, do not pay interest and were priced at \$50 each.

The return on the ETNs is linked to the performance of the Index. The Index seeks to provide a notional long exposure to the top four relatively undervalued US equity sectors that also exhibit relatively strong price momentum. The Index incorporates the CAPE (Cyclically Adjusted Price Earnings) ratio to assess equity market valuations of nine sectors on a monthly basis and to identify the relatively undervalued sectors represented in the S&P 500®. The S&P 500® is intended to provide an indication of the pattern of stock price movement in the U.S. equities market. The Index then selects the top four undervalued sectors that possess relatively stronger price momentum over the past twelve months and allocates an equally weighted notional long position in the total return version of the S&P Select Sector Indices (each, a "Sector Index") corresponding to the selected sectors. We refer herein to the Sector Indices represented in the Index at any given time collectively as the "Index Constituents". The Index Constituents are calculated, maintained and published by Standard & Poor's Financial Services LLC ("S&P" or the "sector index sponsor").

The Index is a proprietary index developed, owned and calculated by Barclays Bank PLC (in such capacity, the "index sponsor").

Payment at Maturity: If you hold your ETNs to maturity, you will receive a cash payment per ETN at



maturity in U.S. dollars equal to the closing indicative value on the final valuation date.

**Closing Indicative Value:** The closing indicative value for each ETN on any given calendar day will be calculated in the following manner. The closing indicative value on the initial valuation date will equal \$50. On each subsequent calendar day until maturity or early redemption, the closing indicative value will equal (1) the closing indicative value on the immediately preceding calendar day times (2) the daily index factor on such calendar day (or, if such day is not an index business day, one) minus (3) the investor fee on such calendar day. An “index business day” is a day which is a New York Stock Exchange trading day and a NASDAQ Exchange trading day. If the ETNs undergo a split or reverse split, the closing indicative value will be adjusted accordingly.

**Daily Index Factor:** The daily index factor on any index business day will equal (1) the closing level of the Index on such index business day divided by (2) the closing level of the Index on the immediately preceding index business day.

**Investor Fee:** The investor fee on the initial valuation date will equal zero. On each subsequent calendar day until maturity or early redemption, the investor fee will be equal to (1) 0.45% times (2) the closing indicative value on the immediately preceding calendar day times (3) the daily index factor on that day (or, if such day is not an index business day, one) divided by (4) 365. Because the investor fee is calculated and subtracted from the closing indicative value on a daily basis, the net effect of the fee accumulates over time and is subtracted at the rate of 0.45% per year.

Because the investor fee reduces the amount of your return at maturity or upon early redemption, the level of the underlying Index will need to increase significantly in order for you to receive at least the principal amount of your investment at maturity or upon early redemption. If the increase in the level of the Index is insufficient to offset the negative effect of the investor fee, or the level of that Index decreases, you will receive less than the principal amount of your investment at maturity or upon early redemption.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Please see the prospectus for the Notes for more details regarding the calculations and details regarding the Index.

### **Exchange Rules Applicable to Trading in the Notes**

Trading in the Shares on IEX is subject to IEX trading rules.

### **Trading Hours**

The value of the Index underlying the Shares will be disseminated to data vendors every 15 seconds during the Regular Trading Session.

The Shares will trade on IEX between 8:00 a.m. and 5:00 p.m. Please note that trading in the Shares during the Exchange’s Pre-Market and Post-Market Sessions (“Extended Market Sessions”) may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated



during the Extended Market Sessions, (2) lower liquidity in the Extended Market Sessions may impact pricing, higher volatility in the Extended Market Sessions may impact pricing, (4) wider spreads may occur in the Extended Markets Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Extended Market Sessions, an investor who is unable to calculate an implied value for the Shares in those sessions may be at a disadvantage to market professionals.

### **Suitability**

Trading in the securities on the Exchange will be subject to the provisions of IEX Rule 3.170 and other applicable suitability rules. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer.

### **Trading Halts**

EXCHANGE will halt trading in the shares of a security in accordance with EXCHANGE Rules. The grounds for a halt under EXCHANGE Rules include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, EXCHANGE will stop trading the shares of a security if the primary market de-lists the security.

**This Information Circular is not a statutory prospectus. EXCHANGE Members should consult the prospectus for a security and the security's website for relevant information.**

Please contact IEX Regulation at 646-343-2000 with any inquiries regarding this Information Circular.