



## Investors Exchange Product Information Circular 2016 - 0371

**Date:** August 31, 2016

**Re:** Barclays GEMS Index ETN

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.

<b><u>Security (“Notes”)</u></b>	<b><u>Symbol</u></b>
Barclays GEMS Index ETN	JEM

**Issuer/Trust:** Barclays Bank PLC

**Issuer Website:** <http://www.barclays.com>

**Primary Listing Exchange:** NYSE Arca

**Primary Exchange Circular:** RB-08-114 (October 30, 2008)

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 (the “Issuer”) has issued Exchange-Traded Notes (“Notes”) linked to the GEMS Index (the “Index”). The Notes were priced at \$50 each and mature on February 4, 2038.

The Notes are a series of debt securities of the Issuer that provide for periodic interest payments and a cash payment at maturity or upon earlier redemption at the holder’s option, based on the performance of the Index subject to the adjustments described below. The original issue price of each Note will be \$50. The Notes will not have a minimum principal amount that will be repaid and, accordingly, payment on the Notes prior to or at maturity may be less than the original issue price of the Notes. In fact, the value of the Index must increase for the investor to receive at least the \$50 principal amount per Note at maturity or upon redemption. If the value of the Index decreases, or does not increase sufficiently to offset the investor fee, the investor will receive less, and possibly significantly less, than the original \$50 principal amount per Note. The Notes will have a term of 30 years and are not callable early by the issuer.

Holders who have not previously redeemed their Notes will receive a cash payment per Note equal to the closing indicative value on the final valuation date. The closing indicative value on any calendar day will be calculated in the following manner. The closing indicative value on the inception 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 (or the ex-coupon indicative value if such day was an index roll date) times (2) the daily index factor on such calendar day (or if such day is not a trading day, index factor on the immediately preceding trading day) minus (3) the investor fee on such calendar day. The ex-coupon indicative value on any index roll date will equal (1) the closing indicative value on such date minus (2) the amount of the interest payment per Note that will be paid on the coupon payment date immediately following such date. An index roll date is the 15th day of each month, beginning on February 15, 2008 and ending on January 15, 2038, or, if any such day is not a trading day in all of the relevant cities, then the next following day that is a trading day in all the relevant cities. The relevant cities are Bangkok, Bogotá, Budapest, Buenos Aires, Istanbul, Jakarta, Johannesburg, London, Manila, Mexico City, Moscow, Mumbai, New York, Rio de Janeiro, Santiago de Chile, Seoul and Warsaw. The daily index factor on any trading day will equal (1) the closing level of the Index on such trading day divided by (2) the closing level of the Index on the immediately preceding trading day. The investor fee is equal to 0.89% per year times the closing indicative value times the daily index factor. The investor fee on the inception date will equal zero. On each subsequent calendar day until maturity or early redemption, the investor fee will be equal to (1) 0.89% times (2) the closing indicative value on the immediately preceding calendar day (or the ex-coupon indicative value if such day was an index roll date) times (3) the daily index factor on that day (or, if such day is not a trading day, index factor on the immediately preceding trading day) divided by (4) 365.

On each coupon payment date prior to maturity or early redemption, holders will receive an interest payment to reflect the implied interest earned, net of fees, on the Notes from and excluding the index roll date for the immediately preceding month to and including the index roll date for the current month. The amount of the interest payment on any coupon payment date will equal (1) the ex-coupon indicative value on the index roll date for the immediately preceding month times (2) the difference between (a) the monthly IV return and (b) the monthly spot return. For the purpose of calculating the first interest payment, the index roll date for the immediately preceding month shall be deemed to be the inception date, and the ex-coupon indicative value on such date shall be deemed to be equal to the closing indicative value. The coupon payment date for each month will be the third trading day following the coupon ex-date for such month. The coupon ex-date for each month will be the trading day immediately following the index roll date for such month. The monthly IV return is the quotient of (i) the closing indicative value on the index roll date for the current month divided by (ii) the ex-coupon indicative value on the index roll date for the immediately preceding month. The monthly spot return is the quotient of (i) the level of the Spot Index on the index roll date for the current month divided by (ii) the level of the Spot Index on the index roll date for the immediately preceding month. In no event, however, will the interest payment on any coupon payment date be less than zero.

Prior to maturity, holders may, subject to certain restrictions, redeem their Notes on any Redemption Date (defined below) during the term of the Notes provided that they present at least 50,000 Notes for redemption. Holders may also act through a broker or other financial intermediary (such as a bank or other financial institution not required to register as a broker-dealer to engage in securities transactions) that is willing to bundle their Notes for redemption with other investors' Notes. If a holder chooses to redeem their Notes, the holder will receive a cash payment per Notes equal to the closing indicative value on the applicable valuation date. The valuation date is each trading day from February 4, 2008 to January 28, 2038, inclusive or, if such date is not a trading day, the next succeeding trading day. A redemption date is the third trading day following each valuation date (other than the final valuation date). The final redemption date will be the third trading day following the valuation date that is immediately prior to the final valuation date. In the event that payment upon redemption is deferred beyond the original redemption date, penalty interest will not accrue or be payable with respect to that deferred payment.



Any of the following will be a market disruption event: (i) a suspension or limitation imposed on trading any index constituent currency, the U.S. dollar or any tradable instrument, including forwards or options, in respect of an index constituent currency, (ii) any event that, in the opinion of the index sponsor, disrupts or impairs the ability of market participants in general to effect transactions (including any tradable instrument, such as forwards or options) or to obtain market values in relation to any index constituent currency or the U.S. dollar, (iii) the declaration or continuance of a general moratorium in respect of banking activities in any relevant city, (iv) on any index trading day, the failure of the source from which the index 2 sponsor obtains the value of an index constituent currency to publish such value, and (v) on any index trading day, the occurrence or existence of a lack of, or a material decline in, the liquidity in the market for trading in any index constituent currency. A force majeure event includes any event or circumstance (including, without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance) that the index sponsor determines to be beyond the index sponsor's reasonable control and to materially affect the Index or any index constituent currency.

To redeem the Notes, holders must instruct their broker or other person through whom they hold their Notes to take the following steps: (i) deliver a notice of redemption to Barclays via email by no later than 3:00 p.m. Eastern Time ("ET") on the trading day prior to the applicable Valuation Date; if Barclays receives such notice by the time specified, it will respond by sending the holder a form of confirmation of redemption, (ii) deliver the signed confirmation of redemption to Barclays via facsimile in the specified form by 3:00 p.m. ET on the same day; Barclays or its affiliate must acknowledge receipt in order for the confirmation to be effective, (iii) instruct holder's Depository Trust Company ("DTC") custodian to book a delivery vs. payment trade with respect to holder's Notes on the Valuation Date at a price equal to the applicable daily redemption value, facing Barclays Capital DTC 5101 and (iv) cause holder's DTC custodian to deliver the trade as booked for settlement via DTC at or prior to 10:00 a.m. ET on the applicable redemption date (the third trading day following the Valuation Date).

If an event of default occurs and the maturity of the Notes is accelerated, Barclays will pay the default amount in respect of the principal of the Notes at maturity. The default amount for the Notes on any day will be an amount, determined by the calculation agent in its sole discretion, equal to the cost of having a qualified financial institution, of the kind and selected as described below, expressly assume all Barclays' payment and other obligations with respect to the Notes as of that day and as if no default or acceleration had occurred, or to undertake other obligations providing substantially equivalent economic value to the holders of the Notes with respect to the Notes. That cost would equal: (i) the lowest amount that a qualified financial institution would charge to effect this assumption or undertaking, plus (ii) the reasonable expenses, including reasonable attorney's fees, incurred by the holders of the Notes in preparing any documentation necessary for this assumption or undertaking. During the default quotation period for the Notes (described below), the holders of the Notes and/or

Barclays may request a qualified financial institution to provide a quotation of the amount it would charge to effect this assumption or undertaking. If either party obtains a quotation, it must notify the other party in writing of the quotation. The amount referred to in item (i) above will equal the lowest, or, if there is only one, the only, quotation obtained, and as to which notice is so given, during the default quotation period. With respect to any quotation, however, the party not obtaining the quotation may object on reasonable and significant grounds, to the assumption or undertaking by the qualified financial institution providing the quotation and notify the other party in writing of those grounds within two business days after the last day of the default quotation period, in which case that quotation will be disregarded in determining the default amount. The default quotation period is the period beginning on the day the default amount first becomes due and ending on the third business day after that day, unless: (i) no quotation of the kind referred to above is obtained or (ii) every quotation of that kind obtained is objected to within five business days after the due date as described above. If either of



these two events occurs, the default quotation period will continue until the third business day after the first business day on which prompt notice of a quotation is given as described above. If that quotation is objected to as described above within five business days after that first business day, however, the default quotation period will continue as described in the prior sentence and this sentence. In any event, if the default quotation period 3 and the subsequent two business day objection period have not ended before the Final Valuation Date, then the default amount will equal the principal amount of the Notes.

The Index was created in January 2007 by Barclays Capital (the “index sponsor”), a division of Barclays Bank PLC, to provide investors with exposure to local currencies in emerging markets through short-term, liquid and diversified instruments. The Index is intended to replicate a diversified, multi-national money markets strategy by reflecting the total return— including both exchange rate movements and implied local deposit rates—of U.S. dollar investments in the 15 emerging market currencies that the Index comprises. The 15 index constituent currencies are divided into three regional sub-indices for purposes of calculating the Index: (i) Eastern Europe, Middle East and Africa, which includes the Hungarian forint, the Polish zloty, the Russian ruble, the South African rand and the Turkish lira; (ii) Latin America, which includes the Argentine peso, the Brazilian real, the Chilean peso, the Colombian peso and the Mexican peso; and (iii) Asia, which includes the Indian rupee, the Indonesian rupiah, the Philippine peso, the South Korean won and the Thai baht.

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.

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

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

### **Trading Hours**

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. 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.