

Interest Rate Swap Trade Valuations

Interactive Data Pricing and Reference Data clients can now subscribe to an independent valuation tool for fixed-for-floating and forward interest rate swap trades.

The service described below is provided by Interactive Data Pricing and Reference Data, Inc. referred to as "Interactive Data" within this document.

Leveraging its fixed income evaluation expertise, Interactive Data offers independent valuations for fixed-for-floating ("plain vanilla") and forward interest rate swaps in U.S. dollars (USD), British pounds (GBP), Euros (EURO), and Swiss francs (CHF). (The International Swaps and Derivatives Association, Inc. reports that of the US\$250 trillion in interest rate swaps notional as of June 30, 2006, approximately 81% were covered by these four currencies.)

Interactive Data's Interest Rate Swap (IRS) valuation service allows you to systemically upload your IRS trades online or via FTP for efficiency and work flow ease, and to download valuations via Web portal or FTP. Our IRS valuations are based on benchmark curves assembled from industry standard sources that have passed several quality control tests, and from a leading financial calculation engine. These curves are used in generating cash flows to value each leg of the trade.

■ Benefits

■ Ease of validation

Input validation tools built into the service help you match trades more effectively and facilitate independent IRS valuations.

■ Timely valuations

IRS valuations are based on curve data available at 16:30 GMT and at 16:00 Eastern Time (ET), and are available for download at approximately 17:00 GMT and 16:30 (ET) respectively, every business day. Request files can be uploaded to Interactive Data at any time before 15:00 GMT and 15:00 (ET).

■ Access to underlying data and evaluators

You can have access to the underlying benchmark curves used, and if necessary, to the evaluators responsible for creating the curves.

Review your trades; upload a file

Asset type	Total
Credit default swaps	0
Bank loans	0
Interest rate swaps	1

Asset type	FTEX	Own code
IRS	7MCRDF2	

Enter trade details; validate online

Step 1 of 2: Define interest rate swap

Interest rate swap definition (* required)

Exchange of principal: [?]

Interpolation method: [?]

Settlement days: [?]

Price points: London close (17:00 CET) [?]
 New York close (22:00 CET) [?]

Pay stream

Structure: Fixed [?]

Currency: * [?]

Coupon rate: * [?]

Start date (yyyy-mm-dd): * [?]

End date (yyyy-mm-dd): * [?]

Notional amount: [?]

Business day convention: [?]

Payment frequency: [?]

Day count: [?]

Receive stream

Structure: Float [?]

Currency: * [?]

Reference rate: * [?]

Reference rate tenor: [?]

Start date (yyyy-mm-dd): * [?]

End date (yyyy-mm-dd): * [?]

Spread: [?]

Reset dates: [?]

Notional amount: [?]

Business day convention: [?]

Payment frequency: [?]

Day count: [?]

Validate [?]

Next... [?]

■ Internal identifiers

You can use your unique internal identifiers to map trades, so data will be delivered to you with identifiers your system can recognize.

■ Bulk or online upload and download

You can upload your trades and download IRS valuations via FTP (bulk file) or online via the FTInteractiveData.comSM Web portal.

■ Client support

The IRS valuation service is supported by Interactive Data's experienced Client Service professionals.

About Interactive Data Corporation

Interactive Data Corporation (NYSE: IDC) is a leading global provider of financial market data, analytics and related services to financial institutions, active traders and individual investors. The Company's businesses supply time-sensitive pricing, evaluations, and reference data for more than 3.5 million securities traded around the world, including hard-to-value instruments. Many of the world's best-known financial service and software companies subscribe to the Company's services in support of their trading, analysis, portfolio management, and valuation activities. Through its businesses, Interactive Data Pricing and Reference Data, Interactive Data Real-Time Services, Interactive Data Fixed Income Analytics, and eSignal, the Company has approximately 2,200 employees in offices located throughout North America, Europe, Asia and Australia. The Company is headquartered in Bedford, Mass.

Pearson plc (NYSE: PSO; LSE: PSON), an international media company, whose businesses include the Financial Times Group, Pearson Education, and the Penguin Group, is Interactive Data Corporation's majority stockholder.

Interactive Data Pricing and Reference Data

Interactive Data Pricing and Reference Data provides global securities pricing, evaluations, and reference data designed to support financial institutions' and investment funds' pricing activities, securities operations, research and portfolio management. Interactive Data Pricing and Reference Data collects, edits, maintains and delivers data on more than 3.5 million securities, including daily evaluations for approximately 2.5 million fixed income and international equity issues. Interactive Data Pricing and Reference Data specializes in "hard-to-get" information and evaluates many "hard-to-value" instruments. Pricing, evaluations, and reference data are provided in the U.S. through Interactive Data Pricing and Reference Data, Inc. and internationally through Interactive Data (Europe) Ltd. and Interactive Data (Australia) Pty Ltd.

For more information, please visit www.interactivedata.com.

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