

**FTSE QUALITY OF MARKETS CRITERIA (EUROPE Emerging) as at September 2008**

CRITERIA	COUNTRY NAMES									
	DEV	ADV EMG	Hungary	Poland	ADV EMG WATCH	Iceland	SEC EMG	Czech	Russia	Turkey
<b>World Bank GNI Per Capita Rating, 2007</b>			High	Upper Middle		High		High	Upper Middle	Upper Middle
<b>Market and Regulatory Environment</b>										
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	X	Pass	Pass	X	Pass	X	Pass	Pass	Pass
Fair and non-prejudicial treatment of minority shareholders	X	X	Pass	Pass	X	Pass		Pass	Restricted	Pass
Non or selective incidence of foreign ownership restrictions	X	X	Pass	Pass	X	Pass		Pass	Not Met	Pass
No objection to or significant restrictions or penalties applied on the repatriation of capital and income	X	X	Pass	Pass	X	Pass	X	Pass	Pass	Pass
Free and well-developed equity market	X	X	Pass	Pass	X	Pass		Pass	Not Met	Pass
Free and well-developed foreign exchange market	X	X	Pass	Pass	X	Pass		Not Met	Not Met	Not Met
Non or simple registration process for foreign investors	X	X	Pass	Pass	X	Pass		Pass	Pass	Pass
<b>Custody and Settlement</b>										
Settlement - Rare incidence of Not Meted trades	X	X	Pass	Pass	X	Pass	X	Pass	Pass	Pass
Custody-Sufficient competition to ensure high quality custodian services	X	X	Pass	Pass	X	Pass	X	Pass	Pass	Pass
Clearing & settlement - T + 3 , T + 7 for Frontier	X	X	T+3	T+3	X	T+3	X	T+3	T+7	T+2
Stock Lending is permitted	X		Pass	Pass		Restricted		Pass	Not Met	Pass
Settlement - Free delivery available	X		Pass	Pass		Pass		Pass	Not Met	Pass
Custody - Omnibus account facilities available to international investors	X	X	Pass	Pass	X	Pass		Not Met	Not Met	Restricted
<b>Dealing Landscape</b>										
Brokerage - Sufficient competition to ensure high quality broker services	X	X	Pass	Pass	X	Pass	X	Pass	Not Met	Pass
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	X	Pass	Pass	X	Pass	X	Pass	Pass	Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	X	Pass	Pass	X	Pass	X	Not Met	Pass	Pass
Short sales permitted	X		Pass	Pass		Pass		Pass	Restricted	Pass
Off-exchange transactions permitted	X		Pass	Pass		Pass		Pass	Pass	Pass
Efficient trading mechanism	X		Pass	Pass		Pass		Pass	Pass	Pass
Transparency - market depth information / visibility and timely trade reporting process	X	X	Pass	Pass	X	Pass	X	Pass	Pass	Pass
<b>Derivatives</b>										
Developed Derivatives Market	X		Pass	Pass		Not Met		Not Met	Not Met	Not Met
<b>Size of Market</b>										
Market Capitalisation \$mn (as at 31st Dec 2007)			46,095	211,004		41,200		101,231	329,000	289,986
Total Number of Listed Companies (as at 31st Dec 2007)			41	375		25		32	257	319