

THE FTSE SHARIAH GLOBAL EQUITY INDEX SERIES

YASAAR SHARIAH SUPERVISORY BOARD OPINION

The Shariah Supervisory Board of the FTSE Shariah Global Equity Index Series have established the principles governing the screening of stocks and the conditions for the inclusion of companies in an Islamic equity universe for designing and creating Shariah compliant indices as follows:

The guidelines ensure that the screened universe of Shariah compliant securities does not contain securities where the issuers' core activity or activities relate to any of the following sectors:

- Interest bearing investments including loans and deposits based on interest;
- Forward currency transactions;
- Securities issued by companies whose income is derived from any of the following activities:
 - Manufacture or distribution of alcohol or tobacco products
 - Gaming or gambling;
 - Manufacture or distribution of weapons and defence related products
 - Production, processing, packaging or any other business activity relating to pork products;
 - Conventional banking, insurance or any other interest-based financial services activity;
 - The production or distribution of pornographic materials; or
 - Any other activity that is not permitted by the Shariah as determined by Yasaar's Shariah Board;
- Derivatives, including futures, options and contracts for differences; and
- Any other transaction that is not permitted by Yasaar's Shariah Board.

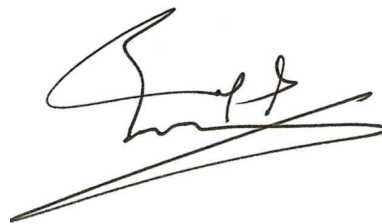
Once business compliance is established, the stock universe is screened for a set of financial ratios. These comprise of:

- Debt to total assets ratio to be less than 33%
- Cash and interest bearing accounts (liquid instruments like CDs) should not exceed 33% of total assets.
- Receivables and cash should be less than 50% of total assets
- Total interest and non compliant activities income should not exceed 5% of revenues

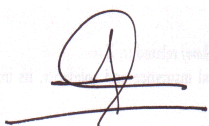
For a stock/security to be deemed Shariah compliant it must pass both the business compliance and financial ratios tests. Following the screening, the stock universe will be monitored on an ongoing basis for compliance and reviewed quarterly.



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