

BarraOne Euro Contingency Plan

July 11, 2012

MSCI has given careful consideration to the possibility that one or more countries may exit the eurozone in the near future. We envision a number of potential scenarios for how these events may unfold that range from an orderly and well-planned exit, coinciding with the introduction of a new currency, to a disorderly exit, resulting in major market disruptions. We have created a contingency plan that can be adapted to the effect of a major market disruption on BarraOne analytics and the reports on which our clients rely, but this communication focuses on the possible exit of a single country from the eurozone.

Our contingency plan is based on the following goals:

- **Communication with our clients on a timely basis:** As soon as there is an official announcement that any country will exit the eurozone, MSCI will publish client communications containing a proposed timeline for our response, details about our immediate actions, and a document addressing frequently asked questions.
- **Business continuity:** BarraOne will continue to process all non-affected assets and market data (i.e., assets and data unrelated to the new currency) without any interruption.
- **Coverage:** BarraOne and Barra risk models will provide coverage for the affected assets as soon as it is reasonable to do so.
- **Scalability:** Our contingency plan and timelines account for any countries that exit the eurozone, even if the eurozone collapses completely and each former member reverts to a domestic currency.

While there is considerable uncertainty surrounding the manner of any exit and its effect on the euro, all scenarios involve three well-defined changes:

1. A new currency will be introduced.
2. Existing equity assets will be redenominated in a new currency.
3. Sovereign and/or corporate bonds will be redenominated in a new currency, and this may require updates to non-currency terms and conditions.

To prepare for all of these changes, we have proactively initiated the following procedures:

1. Establish strong communication channels with all MSCI vendors – We have weekly meetings with many of our vendors to synchronize any data changes.
2. Identify the cue for action – In the case of equity assets, the cue is when the respective stock exchange issues an effective date from which securities will be quoted in the new currency. For bonds, an official communication by government sources will be used as a cue.
3. Define the implementation plan – The set of steps that need to be taken in each of the scenarios has been defined, including the data delivery to BarraOne, the asset treatment in Barra risk models, and the asset coverage in BarraOne.

Implementation timeline:

Timeline	Short-term (less than two weeks)	Medium-term (2 - 4 weeks)	Long-term (1 - 3 months)
Country exits the eurozone	<p>The new currency will be available in BarraOne on the effective date of the change.</p> <p>Assets prices and other market data will be denominated in the new currency on the effective date of the change.</p> <p>The asset terms and conditions reflecting the redenomination and any updates will be delivered to BarraOne.</p>	<p>All Barra risk models will cover the assets with exposures to the new currency.</p> <p>Any time series data required for processing the redenominated assets will be delivered.</p>	<p>MSCI will monitor the market and evaluate the treatment of the redenominated assets in Barra risk models.</p>

The content of this document is based on information available on June 11, 2012 and subject to change due to potential future developments related to the event.

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The company's flagship product offerings are: the MSCI indices with approximately USD 7 trillion estimated to be benchmarked to them on a worldwide basis¹; Barra multi-asset class factor models, portfolio risk and performance analytics; RiskMetrics multi-asset class market and credit risk analytics; MSCI ESG (environmental, social and governance) Research screening, analysis and ratings; ISS governance research and outsourced proxy voting and reporting services; FEA valuation models and risk management software for the energy and commodities markets; and CFRA forensic accounting risk research, legal/regulatory risk assessment, and due-diligence. MSCI is headquartered in New York, with research and commercial offices around the world.

¹As of June 30, 2011, based on eVestment, Lipper and Bloomberg data.