



IHS Markit™

Halifax House Price Index Restatement Policy

July 2021

Index Restatement Policy

IHS Markit Benchmark Administration Limited (**IMBA UK** or the **Administrator**) is the appointed Administrator of the Halifax House Price Index (**HHPI**). The Administrator is committed to conducting its business with integrity and to providing index information of the highest quality to its customers and index stakeholders. However, the Administrator recognizes that in some situations inaccuracies can arise that may warrant a restatement of one or more indices. Such inaccuracies may be caused by a range of events including:

- Incorrect mortgage transaction data provided by the contributor;
- Unavailability of up-to-date mortgage transaction data at the time of index calculation;
- Failure of exclusion criteria; or
- Index model calculation error.

The Administrator has implemented a wide range of pre-calculation checks throughout the data collection process to capture and validate exceptions which could indicate an error or data problem. These include checks on large transaction volume movements. Additional comparative and consistency checks are also in place. Any exception or warning alert is reviewed and analysed for potential problems. In the event that exceptions are caused by an error, the HHPI index analysts will correct the error before official publication.

In the instance an inaccuracy is not caught and resolved before index calculation and publication or if input data received is revised retrospectively, the Administrator will review the impact on affected index values. In order to decide whether to restate an index, the Administrator takes multiple factors into consideration including:

- The size of the deviation between published and updated index levels;
- Dates of the restatement period, in particular:
 - How recent the restatement period is; and
 - The length of the period to be restated.
- Client impact; and
- Index usage.

If the analysis indicates that a revision of the Index could be warranted, Index Administration Committee (**IAC**) will make a restatement determination. If the IAC decides to revise the HHPI values, the reason for the restatement together with the revised index values will be published.

In addition, the Administrator will compile an incident report to summarize the incident, the root cause and set forth remedial actions to avoid reoccurrence in the future, where such remedial actions are applicable.

Formal complaints

Formal complaints can be sent electronically to our dedicated e-mail address MarkitIndices.Complaints@ihsmarkit.com.

Document Governance

Policy Name: HHPI Restatement Policy
Policy Owner: IAC
Applies to: HHPI Benchmark Family
Approved by: IAC, IMBA UK Board
Date of last review: 5 July 2021

Disclaimer

The Index restatement policy (the "policy") is intended only for professionals in the financial markets and is not, and should not be construed as, financial, legal or other advice of any kind, nor should it be regarded as an offer or as a solicitation of an offer to buy, sell or otherwise deal in any investment. The policy is applicable to the indices IHS Markit administers and whose Index rules or documentation specifically references this policy. The policy should not be interpreted as the approval of any regulator. You may not use the policy to generate any advice, recommendations, guidance, publications or alerts and the policy is not a substitute for your own analysis.

Neither IHS Markit, its affiliates, nor any data provider: (1) Makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the policy nor as to the results to be obtained by recipients of the policy; (2) Shall in any way be liable to any recipient of the policy for any inaccuracies, errors or omissions in the policy, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom; or (3) Has any obligation to update, modify or amend the policy or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, neither IHS Markit, its affiliates, nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with your use of the policy or any information or materials contained herein.