



IPMA International Primary
Market Association

28 October 2004

PRESS STATEMENT

IPMA and ICMSA announce new Payment Arrangements for UKLA MTN Listing Fees.

The International Primary Market Association and the International Capital Market Services Association announced that they have reached agreement with the UK Listing Authority (the part of the Financial Services Authority which reviews prospectuses and medium term note pricing supplements) on the payment arrangement for the listing application fee payable to the UKLA for listing notes issued under MTN programmes.

In August the UKLA announced it was putting into place effective 20 September 2004, new payment arrangements. The UKLA intended to require issuers to pay a £100 per tranche listing fee at the time the pricing supplement was submitted to the UKLA. Until the fee was received the UKLA would not commence processing the pricing supplement and the MTNs could not be listed on the London Stock Exchange. In addition, the UKLA ceased issuing invoices for all the fees it charges.

The new arrangements caught the market by surprise and threatened to cause serious administrative problems.

Following discussions with IPMA and ICMSA, the UKLA postponed the introduction of the new payment regime and has now agreed to suspend the new regime indefinitely.

The listing application fee will be payable by issuers within 30 days of the pricing supplements being submitted to the UKLA. If an issuer fails to pay within the 30 days, the UKLA will not permit any further MTNs of that issuer to be listed. The UKLA will not send invoices or reminders. The issuing and paying agents have agreed, on request, promptly to furnish the UKLA with up to date contact details of their issuers and to inform the issuers of the UKLA's payment system.

IPMA and the ICMSA have discussed with the UKLA possible permanent solutions to the administrative problems posed by a small per tranche fee, the FSA's policy of not issuing invoices and the rapid timetable for MTN drawdowns. These include a single annual upfront fee to cover all tranches during the following year. The UKLA will be considering this solution later this year and will consult the market. Further details will probably be included in the next edition of List!, the UKLA's newsletter.

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