

Press release

News from TRAX2.org

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Please see foot of release for contact details

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Immediate Release

TRAX2 receives full approval from FSA as an Approved Reporting Mechanism (ARM)

(London, UK) ICMA Limited, the market services division of the International Capital Market Association (ICMA), is pleased to announce that on October 3, 2007 its TRAX2 system received full approval from the UK Financial Services Authority (FSA) as an Approved Reporting Mechanism (ARM) in accordance with the Markets in Financial Instruments Directive (MiFID). TRAX2 is one of the first MiFID compliant reporting systems in Europe.

TRAX2 was awarded this special status after undergoing a rigorous testing process with both the FSA and its subscribers. It will now be fast tracked into becoming a recognised reporting mechanism in other jurisdictions.

Commenting on the FSA's approval Kevin Milne, Managing Director of ICMA Limited said: "We are greatly pleased that our subscribers, who have UK reporting obligations, are now MiFID compliant. Achieving ARM status was of paramount importance to us and we have invested a significant amount of time and resources to ensure this was achieved. We now look forward to extending similar assurances to all our subscribers."

TRAX2 has been specifically designed to report to multiple regulators throughout Europe in accordance with Article 25 of MiFID. Commenting on TRAX2's unique hub mechanism Graeme Austin, Director of Product Management at ICMA said: "TRAX2 has a proven capability of reporting to multiple regulators in Europe. In light of MiFID we have been in continuous dialogue with other competent authorities and are now fast tracking TRAX2 through other jurisdictions."

- Ends-

More follows/...

Notes for editors

1. Approved Reporting Mechanisms (ARMs)

The Markets in Financial Instruments Directive (MiFID), which replaces the existing Investment Services Directive, will significantly change the regulatory regime governing transaction reporting. It will extend the coverage of the current regulatory regime on regulated markets in some areas (e.g. requiring the reporting of transactions in commodity instruments admitted to trading) and will narrow it in many others. One of the important changes imposed by MiFID affects the regime governing the systems used by regulated firms to report transactions. In particular, from November 1, 2007 onwards, MiFID requires all reportable transactions to be reported through systems which comply with specific requirements detailed in Article 12 of the MiFID Level 2 Regulation. The FSA refers to transaction reporting systems collectively as Approved Reporting Mechanisms ("ARMs").

2. TRAX2

TRAX2 is the post-trade, pre-settlement, trade matching & regulatory confirmation system for the OTC market. It processes all financial instruments/asset classes and is now available to both the sell side and buy side.

TRAX2 offers full repo matching capabilities and is tailored to meet the reporting requirements of the Markets in Financial Instruments Directive (MiFID). It has been awarded conditional Approved Reporting Mechanism (ARM) status by the FSA. It operates as a reporting hub to multiple regulators (competent authorities) within the EU/EEA. TRAX2 builds on the success of the original TRAX system, successfully operated by ICMA since 1989, which has some 200 subscribers and processed over 45.5 million transactions in 2006 alone.

TRAX2 is available to any financial institution active in the international capital market, ICMA members and non members alike assisting financial institutions with their matching, reporting and regulatory requirements.

TRAX2 is the ideal trade matching and reporting solution it offers subscribers:

- Full repo matching capabilities (buy and sell side)
- Rapid identification of problem trades and greatly reduced failed trades
- Regulatory reporting hub to facilitate MiFID Article 25
- Real time trade matching and reporting of bonds, derivatives and equities
- Real time exchange of standing settlement instructions (SSI's) between counterparties
- New ISO 15022/20022 messaging allowing for easy systems integration
- Highly competitive transaction costs

TRAX2 already offers multiple reporting to:

- Financial Services Authority (UK)
- London Stock Exchange (UK)
- Virt-x (UK)
- Bank of Belgium

For more information about TRAX2 visit www.TRAX2.org

3. International Capital Market Association (ICMA) Ltd

International Capital Market Association Ltd (ICMA Ltd.) is a leading provider of operational risk management, trade matching, regulatory reporting and data services to the global capital market. ICMA Ltd has an established track record in providing innovative, secure and reliable systems for the financial services sector.

Formerly known as the AIBD (Systems and Information) Ltd. and subsequently ISMA Ltd., it was established in 1985 and was one of the first providers of secure trade matching and regulatory reporting systems for the over the counter market (OTC). It has pioneered the development of the first repurchase (Repo) automated trade matching system.

4. Contact details for further information

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