



ICMSA Newsletter – December 2006

Membership increased steadily over 2006 and the association now has 27 members. ICMSA met regularly through the year and at each General Meeting there was a guest presenter. The Stock Exchange theme proved very interesting with contributions from Luxembourg, Switzerland and the Channel Islands.

ICMSA published the following in 2006

- 17 May 2006 ICMSA Bulletin - UKLA Listing of Medium Term Notes
- 27 September 2006 joint announcement with ICSDs regarding Variable Rate Instruments working group
- November 2006 Guide to the Treatment of Denominations and Related Exchange Conditions
- New Global Note structure – Market Documentation

Members of the association were part of the **ECB 3 Working Group**, which has produced the market documentation for the New Global Note structure launched in June 2006. All documents are available on the ICMSA website. ICMSA has supported the market roll out and will continue to review the impact of ECB 3. In 2007 ICMSA will participate in the International Securities Market Advisory Group - a Programme of Change driving at the standardisation and improved efficiency of issuance and asset servicing end-to-end processes, spanning all market players from issuer to investor.

Due to the rapid increase in membership, rise in number of project and closer working with other market associations, ICMSA hired Sally Easton as the Project Manager of the sub-committees. The focused work of the association progresses through the sub-committees.

The **Paying Agency** sub-committee has completed the Listing project with the issuance of the bulletin on 17 May. The Minimum Trading Denominations project, on which ICMSA worked jointly with ICMA through numerous meetings, is completed and has resulted in joint market guideline papers being published by ICMA and ICMSA in November 2006. The Variable Rate Instruments project is in its first stage reviewing market practice and requirements and will shortly form a tri-party working group with ISDA and ICMA. ICMSA has worked with ICMA and attended a number of work sessions with ICMA on updating Final Terms. A spin off from this project has been the request from the ICMA Final Terms working group for ICMSA to produce Business Days market guidelines.

Ongoing Projects for 2007:

- Variable Rate Instruments
- Final Terms / Business Days

The **Trustee** sub-committee has organised two seminars with Standard & Poors and Moodys as part of the Senior Expense Caps project. Both meetings went well and were well attended. A seminar will shortly be held with Fitch. ICMSA is working with ESF to resolve identified problems with bondholder meeting provisions.

Ongoing Projects for 2007:

- Noteholder Meeting Provisions (ESF)
- Senior Expense Caps (initially CDO market)
- Payment of Trustee / Service Provider own and Counsel Fees

The **Money Market** Instruments sub-committee has continued to drive the EPIM initiative, simplifying Dealer for the Day procedures, and ensuring that all major IPAs and dealers are using EPIM. There has been some initial work to develop MTN EPIM with a review of the mandatory fields of input.

Ongoing Projects for 2007:

- EPIM
- EPIM next steps (inc MTNs)
- NGN for ECP

The **Global Tax** sub-committee has continued to review tax procedures and plans to hold an industry awareness session early in 2007.

Ongoing Projects for 2007:

- Industry Awareness Session

A new sub-committee has been set up, the **Common Depository** sub-committee, which will shortly hold its first meeting.