The Committee of European Securities Regulators ("CESR"), for the attention of Mr. Francisco Javier Ruiz,

Your ref.  Our ref.  
2004/00392/657.0

Dear Mr. Francesco Javier Ruiz,

Consultation - CESR's recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses no. 809/2004

We refer to previous correspondence in the above mentioned matter, latest your e-mail of 4 October 2004 where you agreed to extend the time limit to respond to the consultation paper to 1 November 2004.

Please find, in item 1 and 2 below, our comments to the proposed regulations. As it appears from the remarks below, we have only commented on item 191-199 of the proposal, which apply to shipping companies.

1. General comment

In the Norwegian Shipowners' Association's opinion the proposed regulations impose an extensive obligation on the issuer to provide detailed information about contract terms. For instance, detailed information about terms in contracts with ship managers, loan-financing terms in connection with purchase, construction or reconstruction of vessels and terms of guarantees are required pursuant to the proposed item 196. These obligations are far more extensive than the ones resting on the issuer pursuant to the regulations in force in Norway today of 7 November 1997 no. 1151.

According to § 3, item d of today's regulations the issuer is only required to describe its main activity, including ongoing contracts, investments or disputes of major importance to the financial position of the issuer. In our opinion, this only
extends to a brief description of the contract and does not impose an obligation on
the issuer to present detailed information about contract terms.

We believe that in order to comply with some of the clauses in the proposed
regulations the shipping companies may have to violate confidentiality clauses in
contracts with third parties.

In Norwegian law, contractual clauses of confidentiality are normally overruled by
statutory obligations imposing a party to provide information. However, the
proposed regulations would not necessarily be interpreted as a legal obligation to
provide information despite of confidentiality clauses in contracts. Thus, this could
result in an unclear legal situation and consequently create unfortunate problems
and discussions in connection with preparation of prospectuses.

2. The proposed item 197 (b):

According to the proposed item 197 (b) the issuers are expected to provide a
valuation report prepared by an experienced valuer, which should include i.a. "all
the relevant details (valuation method) in respect of each vessel necessary for the
purposes of the valuation".

The wording "all the relevant details etc." is in our opinion very wide. For instance,
it can be questioned whether a vessel should be valued with or without the
contract of employment attached to it. Thus, we suggest that this provision be
elaborated on by use of guidelines. In this respect it should be clarified what kind
of information the shipping-companies must provide in connection with the
valuation of a vessel. We suggest that this obligation be limited to the generic
details normally applied in standard valuation methods and propose the following
wording in item 197 b:

"b) provide all the relevant generic details according to the valuations methods
normally applied by valuators, such as information of the vessel's age, size etc".

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Please do not hesitate to contact us with any questions to the above-mentioned.

Yours faithfully,
NORWEGIAN SHIPOWNERS’ ASSOCIATION

[Signature]
Marit Elise Kirkhusmo