



CESR CONSULTATION PAPER ON THE PROPOSED PROSPECTUS DIRECTIVE

1. Introduction

Over the last couple of years, the members of the Belgian Bankers' Association which are active in the issues market have been organising a large number of issues for first-class issuers and are therefore very concerned about the practical consequences the directive may have for private and institutional investors as well as for issuers.

The Belgian Bankers' Association admits that retail investors should be given a protection which is different from that professional investors enjoy, but the requirements for retail should not be so strict as to deter issuers from that market.

To a large extent, we share the concerns expressed by IPMA in its replies to CESR. However, we would like to nuance or emphasise some aspects of the questions mentioned below.

2. Registration Document

There should be a clear distinction between the information in the Registration Document (information on the issuer/guarantor) and the Securities Note (information on the securities issued).

3. Debt securities

Question 135 : the Belgian Bankers' Association considers that disclosure relating to the bankers and legal advisers who were involved in the issue is relevant. This information is indeed interesting for the investor.

4. Securities note

Question 249 : the Belgian Bankers' Association is not opposed to the principle of an appropriate approach to obtain flexibility by creating specific buildings blocks. However, a proliferation of building blocks has to be avoided. The Belgian Bankers' Association insists on a clear and precise definition so as to avoid any interpretation problems.

Question 251 : the Belgian Bankers' Association is not opposed to the competent authorities being able to add some specific elements, but wants to avoid any proliferation of rules. This would be contrary to the intended harmonisation and would endanger the competitiveness of banks that have a more requiring supervisory authority.

Question 254 : the responsibility for each of the three parts of the prospectus must rest with the same **legal** person, i.e. the issuers, but different people may be designates.

Question 256 : the Belgian Bankers' Association believes that the list of reasons for the offer and the use of proceeds is relevant neither to derivatives nor bonds.

Question 259 : the Belgian Bankers' Association is in favour of a mention (not a detailed description) of the legislation under which securities have been created (a) and of the court competent in the event



of litigation (b). She is also for a mention of the ratings. However, the Belgian Bankers' Association thinks that the mention of the Redress Service is not relevant.

Question 260 : disclosure is necessary but should be limited to graphics and figures.

5. Incorporation by reference

Question 289 : the Belgian Bankers' Association thinks that the obligation of updating such documents during the life of the issue has to be avoided, except for the issuer (once a year).

6. Availability of the prospectus

Question 326 : the Belgian Bankers' Association thinks that the minimum content of the notice should be determined at level 4 instead of level 2.

Question 328 : the Belgian Bankers' Association would prefer that the entire prospectus be published on the website of the competent authority and that the host competent authorities post links on their website.

Question 335 : the availability of the prospectus on the internet is considered very important, but a printed version should always be available on request.