

IRISH STOCK EXCHANGE

Response to the Addendum to the CESR Consultation Paper dated 19th

December 2002

‘CESR’s Advice on possible Level 2 Implementing Measures for the Proposed Prospectus Directive’ (‘the Addendum’)

1. Introduction & Methodology

- 1.1 The Irish Stock Exchange welcomes the opportunity to further comment on the Addendum to the Consultation Paper. Again, however, we regret the very short time frame given to the industry in this second consultation process. Given the complexity and scope of these regulations, a longer period would have been desirable in order to properly consult with all interested parties. We also regret the fact that the Addendum requires respondents to answer certain questions in isolation, with the result that it is difficult to produce a harmonised approach. For example, there are several questions posed which relate to applicable disclosure requirements for equity issues, such as working capital statements. It is difficult to address these issues outside the context of the equity disclosure requirements as a whole.
- 1.2 To ensure a comprehensive and wide ranging response, the Irish Stock Exchange established an expert consultative panel to consider the wholesale debt matters contained in the Addendum to the Consultation Paper¹. The panel consisted of prominent advisers to and participants in the Irish capital market, drawn, in particular, from banks and the legal and corporate finance sectors. The participants on the panel are detailed in Appendix 1. The panel had several meetings to consider both the impact of the Directive (and these proposed regulations) on the Irish market and questions posed in the Addendum to the Consultation Paper concerning wholesale debt products. The Irish Stock Exchange also previously established an expert consultative equity panel to consider the Consultation Paper, and this panel provided input on the equity-related sections of the Addendum. The panel consisted of prominent advisers to and participants in the Irish capital market, drawn, in particular, from the legal, corporate finance and listed company sectors. The participants on the equity panel are detailed in Appendix 2.
- 1.3 We have both general and specific comments that we set out below. Wherever possible, we have attempted to offer drafting suggestions and/or proposed solutions to issues identified by us.

¹ Paragraphs: 9-35; 94-96; 140-144; 145-151; 169-176 and related Annexes.

2. General comments

2.1 Wholesale and retail debt

We welcome the fact that the disclosure requirements for non-equity securities whose denomination per unit amounts to at least €50,000 will be less onerous those that apply to the retail equity and debt markets and we look forward to receiving these regulations for comment in due course. There can be no argument that the type and quantity of detailed information required by sophisticated wholesale investors is very different to that of equity or retail debt investors, and it is absolutely essential that the disclosure requirements developed by CESR reflect this. To do otherwise would be seriously detrimental to the health and innovation of the EU capital markets.

2.2 Flexible regime

Wholesale debt products by their nature are highly innovative and constantly change to meet the needs of the market. It is essential that the new disclosure regime does not lead to a reduction in the flexibility of issuers to respond to market needs, which would stifle innovation and dramatically affect the ability of issuers to quickly introduce new specialist products to the market. Where a specific building block does not exist for a particular type of wholesale security, a competent authority must have the ability to apply relevant disclosure standards as it sees fit, rather than have to revert to the Commission/CESR each time for technical advice.

2.3 Additional Consultation

Given the fact that certain amendments will in all possibility be made to the Annexes contained in the Consultation Paper based on comments made in response to the Addendum, we strongly believe that once amendments have been made based on comments received to both the Consultation Paper and the Addendum, the disclosure requirements should be circulated for consultation to ensure that the application of amendments is followed through appropriately in each of the specific building blocks. This is particularly important given the lack of consistency between the Registration Document and the Securities Note that we highlighted in our response to the Consultation Paper dated December 20th, 2002.

DEBT SECURITIES

Question 15

Do you consider that information about an issuer's principal future investments should be disclosed? Please give your reasons.

Question 16

Do you consider that a description of only some of these items should be made? If so, which ones?

A description of an issuer's principal future investments should be provided only when and to the extent to which it is material for assessing the ability of an issuer to fulfil its obligations to debt holders, this information would not prejudice the competitive position of the issuer and the issuer is confident that such principal future investments will be made. In addition, in practice, given the litigious nature of such statements, they give little information and protection.

Question 18

Do you consider that information about a company's capital expenditure commitments would be of value to "wholesale market investors"?

As above.

Question 22

Should any profit forecast that is included be reported on by the company's auditor or reporting accountant?

Yes, to the extent to which a forecast is included. However inclusion of such a statement should not be mandatory. Cash flows are more relevant to wholesale debt investors than cash flow forecasts

Question 23

Do you consider that the requirement to disclose an issuer's prospects should be retained, or should this requirement be deleted?

This requirement should be deleted as it is not relevant for investors assessing the ability of an issuer to fulfil its obligations. In addition, in practice, given the litigious nature of such statements, they give little information and protection.

Question 25

Do you consider it necessary to continue to require disclosure of Board practices for issuers of such securities?

We do not believe that a debt investor requires disclosure of Board practices.

Question 27

Do you consider that these disclosure obligations should be required?

No.

Such information is not relevant for investors assessing the ability of an issuer to fulfil its obligations.

Question 28

CESR's expectation is that either both would be deleted or both retained. Do you consider that only one of these disclosure obligations is necessary and if so, which?

See above.

Question 30

Do you consider that this disclosure requirement should be retained in relation to this type of issuer?

No.

Such information is not relevant for wholesale investors assessing the ability of an issuer to fulfil its obligations.

Question 33

Do you consider this approach to be appropriate?

Yes.

Interim accounts should only be required where they have been published, and disclosure requirement VII.H should not impose an obligation on issuers to produce interims solely to form part of the prospectus.

Question 35

Are your views or comments different from those in response to the first consultation paper?

No.

Our views are not different.

SECURITIES ISSUED BY BANKS**Question 43**

Having reviewed the disclosure obligations set out in Annex [2], do you consider that a specialist building block for banks is justified?

Yes.

We believe that a specialist building block for banks is justified.

Question 44

If so, do you consider that this specialist building block should be applied to non-EU banks that are subject to an equivalent level of prudential and regulatory supervision, or should only EU banks be covered by this specialist building block?

From a policy perspective, it is optimal, that any disclosure concessions be given in an environment of certainty as to regulations upon which those concessions depend. Therefore, in theory, this should only apply to banks holding an EU banking license and therefore subject to harmonised regulatory requirements. However this gives rise to an anomaly, since presumably there are many jurisdictions outside the EU which have equivalent or even superior protections. As a compromise therefore, we would suggest that this specialist building block be enabled to apply to non-EU banks.

subject to CESR providing specific guidance concerning what is meant by ‘an equivalent level of prudential and regulatory supervision’.

Question 45

Other than those disclosures considered separately below, do you agree with the disclosure obligations for banks as set out in Annex [2]?

Yes.

Question 47

Do you consider that information about a bank’s principal future investments should be disclosed?

A description of a bank’s principal future investments should be provided to the extent that it is material for investors assessing the ability of the bank to fulfil its obligations.

Question 49

Do you consider that a bank’s actual solvency ratio should be disclosed?

No.

We do not believe that a bank’s actual solvency ratio should be disclosed.

Question 51

Do you consider it necessary to continue to require disclosure of Board practices by banks?

No.

We do not consider it necessary to continue to require disclosure of Board practices by banks.

Question 53

Do you consider that the disclosure obligations [VI.A.1, VI.A.2 and VI.A.3] should be required for banks?

No.

The disclosure obligations VI.A.1, VI.A.2 and VI.A.3 should not be required for banks.

Question 55

Do you consider that this disclosure requirement should be retained in relation to this type of issuer?

No.

This disclosure requirement should not be retained in relation to this type of issuer.

Question 57

Do you consider the approach set out in VII.H. of the Bank Building Block schedule to be appropriate?

Yes.

We consider the approach set out in VII.H. of the Bank Building Block schedule to be appropriate.

Question 59

Are your views or comments in relation to securities issued by Banks different from those in response to the Consultation Paper?

No.

Our views or comments in relation to securities issued by Banks are not different from those in response to the Consultation Paper.

DERIVATIVE SECURITIES**Question 66**

Do you consider that issuers of derivative securities should be required to provide a description of their principal future investments? Please give your reasons.

A description of an issuer's principal future investments should be provided to the extent that it is material for investors assessing the ability of an issuer to fulfil its obligations.

Question 69

Do you consider that the information set out in V.A.I of the Derivatives Building block should be restricted to the directors of the issuer? Please give your reasons.

Yes.

Information concerning an issuer's administration, management or supervisory bodies is not relevant for investors assessing the ability of an issuer to fulfil its obligations.

Question 71

Do you consider that the information set out in V.B of the Derivatives Building block to be relevant and necessary disclosure for these products? Please give your reasons.

No.

Such information is not relevant for investors assessing the ability of an issuer to fulfil its obligations.

Question 73

Do you consider it necessary to require disclosure of Board practices for issuers of derivative securities? Please give reasons for your answer.

No.

Information about board practices is not relevant for investors assessing the ability of an issuer to fulfil its obligations.

Question 74

Do you consider it necessary to require disclosure of Board practices for issuers who are banks of derivative securities? Please give reasons for your answer.

No.

Such information is not necessary for investors assessing the ability of an issuer to fulfil its obligations.

Question 76

Do you consider that this disclosure requirement should be retained in relation to derivative securities? Please give your reasons.

No.

Such information is not relevant for investors assessing the ability of an issuer to fulfil its obligations.

Question 78

Do you consider the approach set out in VII.H. of the Derivative Building Block schedule to be appropriate?

Please see response to question 35 above.

Question 80

Are your views or comments in relation to derivative securities different from those in response to the Consultation Paper?

No.

Our views or comments in relation to derivative securities are not different from those in response to the Consultation Paper.

Question 87

After review of the proposed disclosure requirements for banks set out in Annex [2], do you consider it necessary to set out separate disclosure requirements for guaranteed derivative securities issued by banks (including for these purposes special purpose vehicles whose obligations are guaranteed by banks), or should all such derivative securities irrespective of their percentage return be treated as all other

non-equity securities issued by banks (or special purpose vehicles whose obligations are guaranteed by banks)? Please give your reasons.

Guaranteed derivative securities issued by banks, irrespective of their percentage return, should be treated as “non-equity securities issued by banks”. In such cases, an absolute liability exists and the derivative product is more akin to a debt product. Therefore, it is more appropriate to apply the Banks RD Building Block.

Question 88

If you consider that there should be a difference between the disclosure requirements for a bank (or a special purpose vehicle whose obligations are guaranteed by a bank) issuing a guaranteed derivative security, and the disclosure requirements for a bank issuing all other types of non-equity securities, please indicate what percentage return should be applied to differentiate between these different disclosure requirements. Please give your reasons.

Please see response to question 87.

Question 89

Having reviewed the disclosure obligations set out in Annex [3] for derivative securities issued by banks or special purpose vehicles whose obligations are guaranteed by banks, and the disclosure obligations set out in Annex [2] for all other non equity securities issued by banks, what, if any, additional disclosures do you consider a bank issuer or special purpose vehicle issuer whose obligations are guaranteed by a bank of a guaranteed derivative security should provide? Please give reasons for your answers.

No additional disclosure requirements are necessary.

Question 92

Do you consider that the disclosure requirements for Banks issuing derivative products should also be applied to non- bank issuers of non-guaranteed derivative securities? Please give your reasons.

Yes.

Question 93

If you consider that there should be different disclosure requirements for non-bank issuers of derivative securities, on review of the derivatives disclosure requirements set out in Annex [3], and the “wholesale debt” disclosure requirements set out in Annex [1] please advise:

(a) what, if any, different disclosure requirements to those set out in Annex [3] should be applied to non-bank issuers of derivative securities. Please give your reasons; and

(b) what, if any, additional disclosure requirements set out in the “wholesale debt” disclosure requirements at Annex [1] should be applied to non-bank issuers of derivative securities. Please give your reasons.

We believe that there should not be different disclosure requirements for non-bank issuers of derivative securities.

ASSET BACKED SECURITIES

Question 96

Do you agree with the disclosure obligations set out in Annex [4] as being appropriate for this type of securities?

In general, we consider with the disclosure obligations set out in Annex 4 to be appropriate for issuers of asset-backed securities.

However, the introduction section of Annex 4 should set out that where an issuer does not have a separate legal identity itself (i.e. it is not an SPV), the disclosure requirements will apply to the entity carrying the credit risk, rather than the financial institution that has set up the special purpose vehicle or entity.

DEPOSITORY RECEIPTS

Question 102

Do you agree with the disclosure obligations set out in Annex [5] as being appropriate for this type of security?

Yes.

This Annex should be amended to reflect any amendments made to Annexes A and K (of the Consultation Paper dated October 2002) following consultation.

Question 103

In particular, do you consider that any information regarding the depository is required in addition to that set out in IX.A?

No.

In general, disclosures regarding the depository itself should be minimal as the key information for investors is that relating to the issuer of the underlying shares to which the DR's relate.

Question 104

If there is recourse to the depository under the terms of the DR issued, what disclosure requirements do you consider would be appropriate in relation to the depository?

If there is recourse to the depository under the terms of the DR issued, then the information required on the depository should be exactly the same as that required on the issuer of the underlying shares.

SPECIALIST BUILDING BLOCK FOR SHIPPING COMPANIES**Question 111**

Do you believe that a specialist building block for shipping companies is appropriate?

No.

We believe that the Core Equity RD building block is appropriate for shipping companies, and that an additional building block is not necessary.

Questions 112

Do you agree with the disclosure requirements in registration documents for shipping companies set out in Annex [6]?

Disclosure requirements:

1. The definition of a shipping company is unclear, and should be more precise than simply to refer to a company that “activates in ocean-going shipping”. This definition is inconsistent with the provisions of Annex 6 which refers “contracts to building new vessels or improve existing vessel(s)”, which suggests that a “shipping company” should include is a company that is involved in the design, manufacture, refurbishment, etc of shipping vessels.
2. The requirement to provide “detailed information” regarding each vessel which is managed or leased does not appear to be relevant to an assessment of the issuer. This requirement to disclose all of the financing terms of each vessel, does not appear to be relevant to an assessment of the issuer.
3. This disclosure requirement is duplicative of Item V.A.1 of Annex A, concerning the ‘expertise and experience’ of an issuer’s directors and senior management.
4. This disclosure requirement is duplicative of Item VIII.C of Annex A which requires a summary of material contracts to be provided in a RD.
5. The information required under this disclosure requirement would also appear to be required under Item III.C.1 of Annex A.
6. The information required under this disclosure requirement would also appear to be required under Item IV.B.3 of Annex A.

Question 113

Do you agree that valuation reports as set out in Annex [6a] should be required for shipping companies?

Valuation reports should be required for shipping companies, as follows:

1. at the time of initial public offering; and

2. when a shipping company has not been trading for at least the three years preceding the date of the Securities Note.

In all other cases, there should be no requirement for a valuation report.

Question 114

Do you consider it appropriate that the date of valuation must not be more than 90 days prior to the date of publication?

Yes.

The date of valuation should not be more than 90 days prior to the date of publication.

Question 115

Do you agree that it would be more appropriate for such valuation reports to be required when securities are being issued by a shipping company and hence should form part of the securities note?

A mandatory requirement to provide a valuation report when securities are being issued would be potentially unduly burdensome on issuers. Therefore, the inclusion of a valuation report in a Securities Note should be at the option of an issuer if it deems the inclusion of such information to be necessary for investors.

PROPOSAL OF A BLANKET CLAUSE**Question 122**

Do you agree with this approach?

Yes.

However, the blanket clause must be included in the Registration Document schedules, as well as the Securities Note schedules.

Question 123

Are you satisfied with the wording of the Blanket Clause?

The language of the blanket clause should track that contained in Article 8(3) of the Directive, which refers to information being “inappropriate” to the issuer’s sphere of activity or to the legal form of the issuer or to the securities to which the prospectus relates. There is no justification for drafting a blanket clause which is greater or narrower than the scope of Articles 8(3).

WORKING CAPITAL**Question 125**

Do you consider that this disclosure is more appropriate to the securities note or the registration document?

We agree with the principle of including a working capital statement in the prospectus. We believe that it is a superior investor protection mechanism to the provision of large quantities of related ‘raw data’ and have already queried its omission in our response to the Consultation Paper submitted on December 20, 2002. However, we would be completely against imposition of a working capital statement without a corresponding reduction in the disclosure requirements suggested in the first consultation, in particular, the disclosure requirements relating to Liquidity and Capital Resources as contained in Item IV.B of Annex A.

We believe that the working capital statement should be included in the SN, since it is a dynamic statement with a finite life. It provides a ‘snap shot’ of the financial state of the company in the short term. There is therefore a logic to providing such a statement each time a company raises new capital (giving rise to a securities note).

However, we are conscious of the Lamfalussy aspiration to make further fundraising easier from a regulatory viewpoint. Further, the time and expense necessary to produce a working capital statement is considerable. For these reasons, we suggest that a working capital statement which is less than 12 months old may be relied upon, provided that there has been no material change to the statement during the period and a statement to that effect is contained in the SN.

We would point out however that the inclusion of the working capital statement is obviously not appropriate for all types of issues (e.g. non retail debt), and it will be necessary to ensure that the application of this new disclosure requirement is followed through in the specific building blocks to check for appropriateness.

Question 126

If you consider that this disclosure is more appropriate to the securities note, do you believe that the other disclosures regarding liquidity and capital resources currently in the registration document should be included in the securities note instead?

We suggest that a working capital statement be included in place of the current requirements IV.B.1 to IV.B.3 of Annex A at the option of the issuer. We do not believe that having to provide both would be desirable or necessary and would lead to a significant increase in costs for issuers. The simplicity of a working capital statement provides clear, easily understood information to investors and is therefore extremely valuable.

ADDITIONAL INFORMATION IN THE SN EQUITY SCHEDULE**Question 132**

Do you agree with this approach?

Disclosure V.A.7 – Description of the securities to be offered/admitted to trading

No comments.

Disclosure V.H.3 – Lock-up agreements

No comments.

ADDITIONAL INFORMATION IN THE SN DEBT SCHEDULE**Question 136***Do you agree with this approach?**Disclosure III.C – Risk factors*

We believe that the inclusion of ‘examples of the way the instrument works’ and ‘examples based on the best and worst case scenario’ is not material information for investors and, therefore, should be deleted. In addition, such information could be potentially misleading as investors may place undue reliance on examples included in a Securities Note.

Disclosure V.A.13 – Interest rate

No comments.

ADDITIONAL INFORMATION IN THE SN DERIVATIVES SCHEDULE**Question 139***Do you agree with this approach?*

Yes.

ADDITIONAL SN BUILDING BLOCK FOR ASSET BACKED SECURITIES**Question 143***Do you consider the disclosure requirements set out in Annex [10] to be appropriate for asset-backed securities?*

In general, we consider the disclosure requirements set out in Annex 10 to be appropriate for asset-backed securities.

However, having considered the views of the expert debt consultative panel, we believe that certain amendments would be beneficial. Our comments are set out below.

We recognise that any new regime must ensure certainty, but we have also identified in our response to the Consultation Paper the need for flexibility to accommodate innovation and facilitate responsiveness to issuers. This need is particularly important in the area of specialist securities. In this context, we believe that the disclosure requirements should be less prescriptive, while still ensuring that certainty exists. Guidance at Level 3 may be a useful tool in this regard.

We do not believe that whole business securitisations are adequately addressed. However, given the complexity of these products and diversity of the issuers involved, we do not believe it is possible to prescribe a set of detailed disclosure requirements. Therefore, we believe that strong guidance should be provided at Level

3, in particular on the interpretation of Item B.2.11 in the context of these specific types of transactions.

We believe that the definition should be amended to more accurately encompass types of securities which may constitute asset-backed securities. We believe the definition should be amended to read as follows:

Asset Backed Securities: "securities of a type which either;

1. represent an interest in one or more assets (including any rights designed to assure servicing, or the receipt or timeliness of receipts by holders of assets of amounts payable thereunder); or
2. are secured, and the securities by their terms provide for payments on the securities, relating to payments or reasonable projections of payments, calculated by reference to one or more identified or identifiable assets."

In particular we believe that the word "debt" should be deleted from the definition. We believe that the deletion of this word is justified as:

- If asset backed securities must be regarded as debt securities to utilise these disclosure requirements, the Competent Authority will be forced to look at the form of the security, rather than the substance, which is at odds with the underlying concept of the building blocks.
- The necessity to classify these securities as debt securities will cause particular difficulties for Competent Authorities in common law jurisdictions who are obliged to adopt a literal interpretation to legislation. We appreciate that this concern will not be shared by some of our European counterparts.
- A number of asset-backed securities are now being issued as certificates in pass-through trusts. In a trust structure, the distinction between debt and equity is not relevant.

B.1 We suggest that this wording be simplified to read as follows.

"The prospectus must demonstrate that the assets backing the issue have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the securities."

B.2.2 (b) We feel that the disclosure required under this paragraph is too onerous for issuers of specialist securities, and should only be required if material to an assessment of the securities. We acknowledge that this paragraph was drafted with specific types of underlying assets in mind and feel that for a static pool of assets, it should be possible to provide statistical data in relation to the underlying assets. We would question whether a description of the economic environment should be provided as the assets may originate from a large number of different economies or sectors of an economy.

B.2.11 We would question the inclusion of the phrase where an obligor accounts for a material portion of the assets. We feel that the current restrictions of 5 obligors or 20% or more of the assets are sufficient. The inclusion of the word "material" requires a judgment to be made as to what is material.

- B.2.16 As above, we would suggest that the reference to "material" requires a judgment to be made. We would prefer a percentage to be included such as 20%.
- E.1 Is it intended that any post-issuance transaction information will be available in the country of listing or within the EU? We would suggest that this is not necessary and that such information would be available from the Trustee.

Question 144

On review of the debt security note disclosure requirements set out in annex [L] to the Consultation Paper, please advise what if any of these items of disclosure should not be required for these types of securities? Please give your reasons.

We consider the following disclosures of Annex L not to be relevant for wholesale investors in their assessment of asset-backed securities:

- I.4 will not be relevant for ABS issuers that are newly established special purpose vehicles;

We would suggest the following deletions:

- II.A We suggest that the description of the arrangements for announcing to the public the definitive amount of the offer be deleted. We make this suggestion because many specialist debt offerings are private placements rather than public offerings. To make such an announcement is, therefore, not necessary.
- II.B.8 We suggest that this paragraph be deleted on the same basis as the previous paragraph.
- III.B We would suggest that, for certain types of transaction (such as actively managed CDOs), there is no specific reason for the offer. This disclosure may not, therefore, be appropriate in all cases.
- V.A.13 We would suggest, in relation to interest rates, that the place, manner and time where and when the reference rate is made public and information on the reference rate for the prior year should not be required for specialist securities. We would argue that investors in specialist securities would be sufficiently knowledgeable that such disclosure would not be necessary.
- V.E.2 As mentioned above, details should not have to be made public for specialist debt offerings because in many cases the transactions are private placements. Furthermore, the offering prices on such transactions are confidential between the issuer (or the underwriter) and the investor. As such, the issue prices are not normally disclosed, and should not have to be for specialist debt transactions.

- V.I.1 Further to the point above, the discounts or commissions agreed upon by the underwriters are also confidential, as are the fees charged by parties to the transaction. We feel that this paragraph should be deleted and that, for specialist debt transactions, only net proceeds figures should be required to be disclosed. This should be sufficient for investors in these types of transactions.
- V.I.D As above, this type of disclosure in relation to specialist debt transactions is, we feel, too detailed and should not be required for such transactions. We feel that having the agreements available for inspection should be sufficient for investors in this type of transaction.

ADDITIONAL SN BUILDING BLOCK FOR GUARANTEES

Question 149

Do you agree with the proposal to have the disclosure obligations in relation to guarantees in a separate building block so as to allow greater flexibility in structuring the issue of securities?

Yes.

Question 150

Do you believe that the level of disclosure required by the proposed building block is appropriate? Please give reasons for your answer.

The level of disclosure required by this proposed building block is appropriate. In order for investors to assess the ability of a guarantor to fulfil its obligations should an issuer default, it is essential that the guarantor discloses information about itself equivalent to that disclosed by the issuer of the security.

We feel that the level of disclosure is sufficient. We would, however, propose that reduced disclosure be required in the guarantor is listed on a recognised exchange or traded on a regulated market.

Question 151

If, in answer to the previous question, you said the requirements were inappropriate please indicate which of the proposed disclosure requirements you believe to be excessive and/or which additional disclosures should be required of guarantors.

Not applicable – please see response to Question 150.

ADDITIONAL SN BUILDING BLOCK FOR SUBSCRIPTION RIGHTS

Question 155

Do you agree with this approach?

Yes.

Question 159

Which approach do you deem to be more appropriate?

Approach number 1 is more appropriate.

SUMMARY**Question 168**

Given the level of detail provided for by the Ecofin Text on the scope, language, length and content of the summary; taking in consideration that the summary is based on the content of the prospectus and that it is up to the issuer to evaluate which elements are essential, do you believe that there is need for level 2 advice on the content and characteristics of the summary and that, in particular, there is need to prepare specific summary schedules? If yes, please indicate what level 2 implementing measures should deal with. CESR also welcomes views on the way in which the need to standardise the content of the summary may be compatible with the maximum length the summary should normally have.

We do not believe that there is need for Level 2 advice on the content and characteristics of the summary, because we believe that advice at this level will, by its nature, be unduly prescriptive. We believe that advice should instead be forthcoming at Level 3, which when taken together with the “Summary Note” contained at Annex 4 of the Directive, would meet the need to standardise the content of the summary.

BASE PROSPECTUS/PROGRAMMES**Question 175**

Do you have any comments on the preliminary views expressed in paragraph [174]?

We support the views expressed in paragraph 174.

Question 176

Bearing in mind that the final terms will not be approved, what information disclosures from the securities note do you consider it would be appropriate to reclassify as being the final terms [for issues off a base prospectus]?

Items identified from Annex N (Securities Note: Common Items):

- II.A total amount of issue/offer
- V.A.1 type and class of securities being offered and/or admitted to trading;
- V.A.3 bearer or registered securities;
- V.A.4 currency of the securities issue;
- V.A.6 status of securities being offered and/or admitted to trading;
- V.A.10 issue date of securities;
- V.E.1 price;
- V.F.1 admission to trading; and
- V.G other markets on which securities will be offered or admitted to trading;

Appendix 1

Debt Panel Participants

Title	Company
Director of Listing	Irish Stock Exchange
Manager – Company Listings	Irish Stock Exchange
Managing Director	Allied Irish Bank plc
Group Legal Advisor	Bank of Ireland
Partner	A&L Goodbody Solicitors
Senior Associate	Arthur Cox (Solicitors)
Associate	Arthur Cox (Solicitors)
Partner	Ernst & Young
Senior Manager	Ernst & Young
Partner	Matheson Ormsby Prentice (Solicitors)
Partner	McCann Fitzgerald (Solicitors)

Appendix 2

Equity Panel Participants

Title	Company
Director of Listing	Irish Stock Exchange
Manager – Company Listings	Irish Stock Exchange
Commercial Partner	A&L Goodbody (Solicitors)
Corporate Finance Partner	Arthur Cox (Solicitors)
Corporate Finance Associate	Arthur Cox (Solicitors)
Group Treasurer	CRH plc (listed company)
Head of Corporate Finance	Davy Corporate Finance Limited
Head of Corporate Finance	Goodbody Corporate Finance
Director, Corporate Finance	IBI Corporate Finance