



PRESS RELEASE

4. April 2008

ECSDA RELEASES STUDY ON CSDs AS ISSUER SERVICE PROVIDERS

The European Central Securities Depositories Association (ECSDA) yesterday at a seminar hosted by VP Securities Services, Copenhagen, published a study on the current issuer services level with its Members, covering 38 central securities depositories (CSDs) in the European geographical area.

A key CSD service is to hold securities issuance accounts on behalf of issuers and to enable and administer securities transactions to be processed by book-entry. These procedures are designed to protect the integrity of securities issuances as well as to facilitate safe and efficient securities services distribution. Issuance and holding procedures may vary from country to country depending on issuer preference, market practice and regulation.

The current issuer service level varies considerably between European CSDs. In order to address these differences and maybe provide inspiration to markets where CSDs currently offer limited issuer services, ECSDA decided to gather further information on the current issuer services level with its members. This information may allow CSDs and issuers to compare their current issuer service level to that of other European markets and to consider if their market may benefit from additional issuer services based on experience with CSDs in providing automated and flexible services on issuance, clearing and settlement of securities to European capital markets in a domestic as well as in cross-border context.

The study addresses different categories of services that CSDs may offer to issuers in the securities life-cycle, hereunder corporate actions services, registrar services, shareholder communication services, insider reporting services, statistics services, annual general meeting services, proxy voting services and national numbering agency services.

The study confirms that most CSDs offer issuer services. Many services are offered via a direct link with issuers and other services via an issuer intermediary. As a general observation the potential level of issuer services with each CSD seems to depend on its issuer relation as well as its account structure. As an overall conclusion of the study there seem to be room for an increased CSD service level towards issuers.

Cross national inspiration

Joël Mérére, chairman of ECSDA, said: *“Whereas in some markets’ issuer services are mainly provided by CSDs, in other markets they are provided mainly by banks to everybody's satisfaction. This ECSDA initiative does not suggest imposing a single model throughout Europe but to provide more food for thought to parties involved in issuer services on the variation in services currently available to European issuers”*.

An international discussion on issuer services

Johannes Luef, VP Securities Services and chairman of the ECSDA ad hoc task force on issuer services said: *“During the preparations of our report the idea came up that it could be worth sharing and discussing our findings with interested parties during a seminar. We were therefore very pleased to see this confirmed today via the active participation from more than 60 industry professionals representing issuers, banks and CSDs from all over the world”*.

The study has been published on ECSDA's website at www.ecsda.com

Contact details

Joël Mérére, ECSDA Chairman, phone +33 1 5534 5659

For a hardcopy of the report, please contact Hildur Weje at <mailto:hib@vp.dk> , phone +45 4358 8744

Notes to Editors

ECSDA was established in November 1997 as the Association of European Central Securities Depositories. ECSDA currently has 41 members in the geographical area of Europe. ECSDA's primary objective is to promote harmonisation of market practices in Europe to support the creation of a single European capital market.