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LMA Endorses EHYA Market Practice Recommendations for Issuers of Non-Investment Grade Debt Securities

London, 16 June 2008 -- The Loan Market Association (LMA) announced today that it has endorsed the market practice recommendations for issuers of non-investment grade debt securities by the European High Yield Association (EHYA), an affiliate of the Securities Industry and Financial Markets Association. The EHYA recommendations encourage issuers of non-investment grade debt securities to disclose material terms of senior debt facilities during the offering, and to update investors regarding completed amendments to and waivers of those facilities as long as the securities are outstanding.

“We are pleased that the leading representative of Europe’s senior debt holders has spoken out in favour of transparency”, said Gilbey Strub, managing director of the EHYA. “In uncertain markets, it’s especially important that investors have adequate information about an issuer’s capital structure. We see the move toward greater disclosure as a global trend and we think it makes sense to promote global harmonisation, but we recognize that every region is different and that no single regime is appropriate. We believe the recommendations strike the proper balance between public disclosure and operational flexibility and we’re grateful for the support of the LMA.”

“As the trade association for the syndicated loan markets we recognise that greater disclosure aids liquidity and encourages growth”, said Clare Dawson, executive director of the LMA. “By encouraging issuers to make key terms of material senior debt facilities available to investors, the industry is showing its commitment to openness.”

Craig Abouchar, EHYA chair, added, “We are very pleased to add the endorsement of the LMA to the EHYA recommendations. We look forward to working closely with the LMA to encourage the sponsor community to make these joint practices the de facto market standard.”

The European High Yield Association, an affiliate of the Securities Industry and Financial Markets Association (SIFMA), is a non-profit trade association representing participants in the European high yield market. Membership is open to banks, investors, law and accounting firms and rating agencies. The EHYA is an independent, self-funded forum of SIFMA. For more information, visit www.ehya.com.

The Securities Industry and Financial Markets Association bring together the shared interests of more than 650 securities firms, banks and asset managers. SIFMA's mission is to promote policies and practices that work to expand and perfect markets, foster the development of new products and services and create efficiencies for member firms, while preserving and enhancing the public's trust and confidence in the markets and the industry. SIFMA works to represent its members' interests locally and globally. It has offices in New York, Washington D.C., and London and its associated firm, the Asia Securities Industry and Financial Markets Association, is based in Hong Kong.

The Loan Market Association was founded in December 1996 by seven leading international banks in London. Its aim was to encourage liquidity and efficiency in both the primary and secondary loan markets by promoting market depth and transparency, as well as by developing standard forms of documentation and codes of market practice. Banks, law firms and other market practitioners/participants are welcome to apply to join the LMA, and the membership currently stands at 381.

The Association was established in anticipation of changing market conditions and of a perceived willingness on the part of the banking community to bring greater clarity, efficiency and liquidity to the relatively under-developed secondary market.

The initiative was clearly well timed, as since 1997, there has been sustained growth in secondary loan activity in the Euromarkets, with volumes for 2007 estimated at EUR 173 billion, a 70% increase over the equivalent figure for 2006.

The LMA has gained substantial recognition in the market and has expanded its activities to include all aspects of the primary and secondary syndicated loan markets. It sees its overall mission as acting as the authoritative voice of the syndicated loan market in Europe vis à vis banks, borrowers, regulators and other affected parties. For more information, please visit www.lma.eu.com.