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PRESS RELEASE

STEP Initiative is on track

The ACI-The Financial Markets Association (ACI) and the European Banking Federation (FBE) are the main promoters of the Short-Term European Paper (STEP) initiative, which aims to foster the integration of the European markets for short-term securities through the convergence of market standards.

FBE is pleased to announce that on 6th April 2006, the General Assembly of Euribor FBE amended its statutes to take on STEP-related responsibilities and in order to adopt the STEP Market Convention. Euribor ACI will similarly amend its statutes shortly.

The Convention lays down the criteria that an issuance programme needs to fulfil in order to be STEP-compliant. The STEP Secretariat, which has been created under the joint responsibility of Euribor FBE and Euribor ACI, will grant a "STEP label" to STEP-compliant programmes.

The STEP criteria relate to the disclosure of information, the format for documentation, settlement, and the provision of data for the production of STEP statistics. A STEP label does not relate to the creditworthiness of issuers or the accuracy of the information provided. The STEP Market Committee will provide guidance on the appropriate and consistent interpretation of the Convention and may amend the standards on which the STEP label is based.

The STEP Market Convention and the preliminary list of STEP-compliant securities settlement systems are available on the STEP Market website (www.stepmarket.org).

At the end of March 2006, Euribor ACI and Euribor FBE launched a consultation to seek the feed back of large European issuers on the STEP Market Convention and on the procedures to obtain the STEP label. ACI and FBE are pleased to announce that a number of these issuers have already expressed their intention of adopting the STEP standards and apply for the STEP label.

The consultation will be completed at the end of April 2006, when Euribor ACI and Euribor FBE will sign and formally adopt the STEP Market Convention.

At that point, issuers will be able to apply for the STEP label, according to the procedures provided for in the STEP Market Convention and in the STEP Market website.

The information memoranda of the first STEP-labelled programmes will be available on the STEP Market website in May 2006. The European Central Bank (ECB) has agreed to support the STEP initiative and the statistics on the issues made under these STEP-labelled programmes will be available on the website of the ECB (www.ecb.int).

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Note to the Editor

Set up in 1960, the European Banking Federation is the voice of the European banking sector, with over 20 000 billion EUR assets and 2.3 million employees in 28 European countries. The FBE represents the interests of almost 5000 European banks: large and small, wholesale and retail, local and cross-border financial institutions.