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ISITC Announces Two New Market Practice Standards

-Securities Lending and Reference Data Working Groups Produce Groundbreaking Recommendations

-Working Groups to provide details at the ISITC 15th Annual Industry Forum and Vendor Show

Boston, February 17, 2009 – ISITC (International Securities Association for Institutional Trade Communication), the industry trade group focused on standards in transaction processing and related communications, announced today that it has released two Market Practice recommendations. ISITC periodically releases Market Practice recommendations, produced by the association's Working Groups, to help industry participants better implement best practices in trade processing and related communications. These Market Practices are tested within the industry and vetted by interested constituents before they are formally released. The two new Market Practices, produced by the Reference Data and Securities Lending Working Groups, will be discussed in detail at the upcoming ISITC 15th Annual Industry Forum and Vendor Show taking place in March.

Genevy Dimitrion, Chair of ISITC, says, "ISITC is continually engaged in the work of producing new industry standards to help market participants improve operations and reduce risks. Our recommendations are produced by focused working groups which include top practitioners and experts in the field."

The Reference Data Working Group's "*Market Practice Recommendation for the Communication of Standing Settlement Instructions*" is a new standard to enhance the consistency and overall efficiency of the processes utilized by investment managers to set-up and maintain custodian and broker standing settlement instructions (SSI data). The Market Practice creates a new template which establishes uniformity in the communication of SSI data across counterparties and reduces the amount of manual intervention required (such as data entry) to process such data. The new template covers all global markets and is designed to enhance SSI processing, irrespective of whether an investment manager utilizes an industry utility or an in-house database for SSI data.

In its report, the Reference Data Working Group says, "We are pleased to provide this crucial new template to industry practitioners. Increasingly, incorrect SSI data has created greater risk within the settlement process and this new Market Practice is designed to address this issue."

The Securities Lending Working group, in keeping with its mandate to establish comprehensive market practice standards for all securities lending-related activity, published a new “*Market Practice Recommendation for Re-Allocation Instructions*.”

This new market practice will benefit the process in which a Re-Allocation instruction message is sent by a Third-Party Lending Agent to the custodian in order to alter the loan assignment (or a portion thereof) from one fund to another fund. While the Lending Agent may or may not be the owner of the underlying assets, that agent will be authorized to conduct lending on behalf of the portfolio's owner. All types of financial instruments, which are eligible for securities lending, can be included in this message, such as corporate bonds, equities and government securities.

This Re-Allocation Market Practice is an important milestone in the Securities Lending Working Group's effort towards complete STP automation of Lending Transactions. Its implementation will provide firms with additional opportunities to increase STP, reduce sale fails and increase loan revenue.

Genevy Dimitrion, Chair of ISITC, says, “I would like to congratulate both Working Groups for their dedication and hard work in developing these much-needed Market Practices. Because these Recommendations are thoroughly vetted by a wide-variety of users, and deal with tremendous complexity, they take considerable time and effort to complete, but ISITC believes that this is time well-spent to move the industry forward.”

The ISITC Working Groups will be meeting on these and other initiatives at the upcoming ISITC 15th Annual Industry Forum and Vendor Show. The show is entitled: “*Extreme Makeover: Financial Services Edition – Finding the tools for the future*,” will take place from March 22-25 at the Renaissance Boston Waterfront Hotel. For questions or registration contact Dana Martz at (908) 359-1184 or via email at usainfo@isitc.org.

About ISITC

Comprised of 1,500 individuals from 350 companies worldwide, ISITC provides members with the means to revolutionize the securities-trading process. ISITC brings together broker/dealers, custodians, investment managers, vendors/utilities and other industry professionals to develop proposed standards that are designed to enhance efficiencies in trade processing and related communications. Through collaboration, ISITC's members reduce inefficiencies, lower risk, and build shareholder value while developing and promoting the global securities industry. For more information on ISITC please visit our website: www.isitc.org