



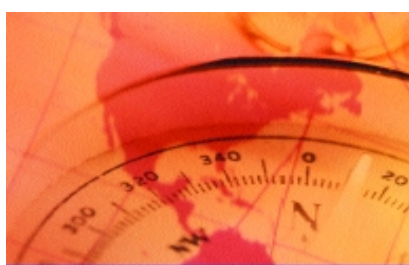
## European Securitisation Forum


### CSX Granted Membership by The European Securitisation Forum

The Cayman Islands Stock Exchange is pleased to announce its recent admission to membership of the European Securitisation Forum, joining other large European market participants who are already members of the Forum.

The European Securitisation Forum is an independent initiative of The Bond Market Association, the major fixed-income trade organisation and was established to promote the continued growth and development of securitisation throughout Europe, and to advocate the positions, represent the interests and serve the needs of European securitisation markets and market participants who become its members.

A primary objective of the European Securitisation Forum is to improve the quality, uniformity and availability of post-issuance reporting for European securitisation transactions. Forum members believe that such improvements are essential in fostering more liquid and efficient securitisation markets in Europe.



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*The Management and staff wish you a Happy and Prosperous New Year*

European Securitisation Forum Members		
Abbey National Treasury Services	Commerzbank Securities	Moody's Investor Service
ABS Reports	Countrywide Securities Corporation	Morgan Stanley International
Artesia Banking Corporation	Credit Suisse First Boston	Mourant Group
Arthur Andersen	Credit Trade	Norton Rose
Bank One, NA	Crown Mortgage Management	Ogier & Le Masurier
Bankgesellschaft Berlin	Depository Trust & Clearing Company	PriceWaterhouseCoopers
Bank of America Securities	Deutsche Bank AG London	RFC Mortgage Services Limited
Banque Generale Du Luxembourg	Deutsche Genossenschaftsbank	Royal Bank of Scotland
Barclays Capital	Deloitte & Touche	R&R Consulting
Bayerische Hypo-und Vereinsbank AG, Munchen	Dresdner Bank AG	Schroder Salomon Smith Barney
Bear Stearns International Ltd	Ernst & Young	Skandinaviska Enskilda Banken AB
Bedell Christin	Financial Security Assurance (U.K.) Limited	Sidley & Austin, Brown & Wood
BNP Paribas	Fitch IBCA	Societe Generale
Cadwalader, Wickersham & Taft	Fortis Bank	Standard & Poor's
Cayman Islands Stock Exchange	GMAC RFC UK Limited	The Channel Islands Stock Exchange
CCM International	ING Barings	Tokyo-Mitsubishi International
CIBC Wood Grundy Oppenheimer	J.P. Morgan Chase	UBS Warburg
Cleary, Gottlieb, Steen & Hamilton	Law Debenture	Weil, Gotshal & Manges
Clifford Chance Pünder	Merrill Lynch International	Westdeutsche Landesbank
		Wilmington Trust Global Service

# CUSIP NUMBERING SYSTEM

Standard & Poors CUSIP Service Bureau is responsible for the administration of the CUSIP numbering system for the United States and Canada.

traded on an international basis, which are either underwritten (debt issues) or domiciled (equities) outside the United States and Canada.

The Cayman Islands Stock Exchange is the exclusive CUSIP numbering agent for issuing CUSIP/ISIN number to issuers and securities registered in the Cayman Islands. The administrator for this function at the CSX is Ms. Sandy McFarlane. All CUSIP/ISIN numbers for securities registered in the Cayman Islands are characterized by the prefix "KYG" followed by 9 digits e.g. KYG123S12345.

CUSIP is the standard, industry-recognized system that identifies specific security issues – and their issues – stocks, bonds, notes, etc., of corporate, municipal, state and federal issues. Under the CUSIP system, a CUSIP number is assigned to each issue and will uniquely identify that single issue throughout its life.

The CUSIP number consists of 9 characters and is normally issued to securities listed in North America, and the United States.

The CINS (CUSIP International Numbering System) consists of 9 digits characters and were created for securities

ISIN (International Securities Identification Number) is the single ISO-approved (ISO 6166) standard identifier for cross-border transactions. Local numbering standards, such as CUSIP/CINS, SEDOL (UK), and VALOR (Swiss), form the basis of these ISIN Codes as follows. Using the example of Microsoft Corp:

ISIN Code = US5949181045.  
 CUSIP = 594918104.  
 SEDOL = 2588173.  
 VALOR = 000951692.



Sandy McFarlane

**Step-by-step guideline to acquiring a CUSIP number and ISIN code from the Cayman Islands Stock Exchange:**

❖ **Submit Preliminary Prospectus to the attention of Ms. Sandy McFarlane at the CSX preferably by email.**

❖ **CSX reviews the documents and liaises with CUSIP Standard & Poor NY office for the issue of the CUSIP/ISIN Number.**

❖ **CUSIP Standard & Poors NY issues both a CUSIP Number and the associated ISIN Code.**

❖ **CSX communicates CUSIP number and ISIN code to issuer.**

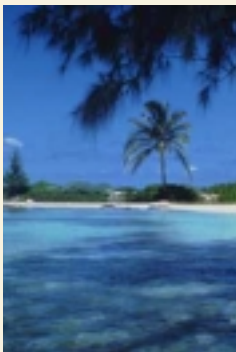
## FEES

- ❖ **CI\$143.50 (US\$175.00) per CUSIP/ISIN Code for attaining the number within 24hrs.**
- ❖ **Express Service CI\$164.00 (US\$200.00) for attaining the number within 2-3 hours.**

## CONTACTS

- ❖ **CUSIP email: [cusip@csx.com.ky](mailto:cusip@csx.com.ky)  
 Tel: 1345-914-1895  
 Fax: 1345-945-6061  
 or Email:  
[SandyMcFarlane@csx.com.ky](mailto:SandyMcFarlane@csx.com.ky)**

## CAYMAN ISLANDS 2002 PUBLIC HOLIDAYS



New Year's Day	Tuesday, Jan 1 <sup>st</sup>
Ash Wednesday	Wednesday, Feb 13 <sup>th</sup>
Good Friday	Friday, April 29 <sup>th</sup>
Easter Monday	Monday, April 1 <sup>st</sup>
Discovery Day	Monday, May 20 <sup>th</sup>
<b>Queen's Golden Jubilee</b>	<b>Monday, June 3<sup>rd</sup></b>
Queen's Birthday	Monday, June 17 <sup>th</sup>
Constitution Day	Monday, July 1 <sup>st</sup>
Remembrance Day	Monday, Nov 11 <sup>th</sup>
Christmas Day	Wednesday, Dec 25 <sup>th</sup>
Boxing Day	Thursday, Dec 26 <sup>th</sup>

P.O. Box 2408 G.T.  
 4th Floor Elizabethan Square  
 Grand Cayman, Cayman Islands

Cayman Islands  
 Stock Exchange  
<http://www.csx.com.ky>

Tel: (345)945-6060  
 Fax: (345)945-6061  
 Email: [csx@csx.com.ky](mailto:csx@csx.com.ky)

## Listings update

Since the issue of the last newsletter in July, the Exchange has continued to see a steady increase in the number of new listings, coming evenly from the main three products mutual funds, debt securities and derivative warrants. As in previous years, mutual funds have had a larger proportion of the new listings.

The Exchange was pleased to announce the listing of the Kensington Global Strategies Fund in October. The fund was previously listed on the Irish Stock Exchange but has moved its listing to the Cayman Islands Stock Exchange as the CSX listing rules better accommodate the listing of multiple series issuing funds. Kensington, a very highly regarded hedge fund, is a Bermuda incorporated and run fund and had net assets of \$4 billion as of September 1, 2001. The investment manager is Citadel Limited Partnership, which forms part of the Chicago based Citadel Investment Group, and managed approximately \$6.5 billion in assets as of September 1, 2001. The fund combines different investment styles and techniques but is primarily engaged in relative value, event driven and directional investment strategies. There are no material limitations to the investment activities and new analytical methodologies, as the fund seeks to exploit profit and investment opportunities on a global basis.

Following on the heels of the Kensington listing, the CSX was also very pleased to announce the listing of three classes of the Ivy Protectors Fund, Ltd., a fund of hedge funds. Its objective is to generate consistent capital appreciation while managing volatility and protecting investors' capital. It does this by investing in a master fund, which in turn invests in 20 or more hedge funds (with no more than 10% invested in any one fund), whilst utilizing leverage and

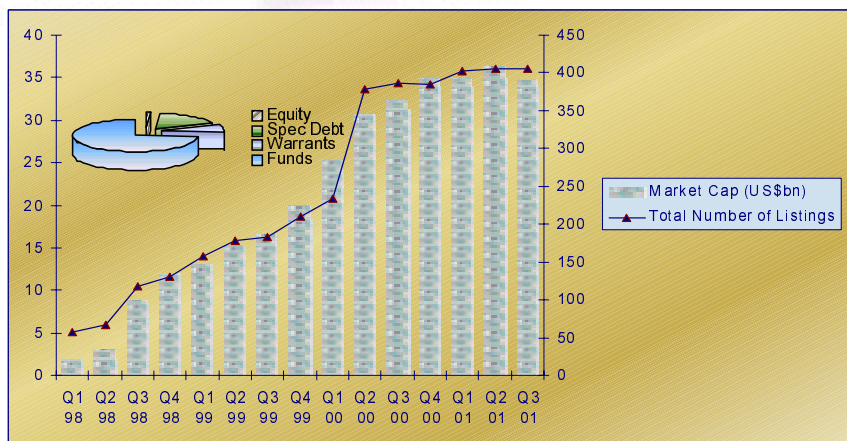
entering a principal protection agreement. JP Morgan Chase is the Lead Manager and Ivy Asset Management, a subsidiary of Bank of New York, which manages some \$4.4 billion of investor capital, is the investment manager. Simon Pascoe of Quin and Hampson, the CSX Listing Agent, stated that all parties involved in this matter were very happy with the speed and efficiency with which the CSX dealt with the listing application and all issues that arose along the way in what was a fairly complex structure.

The interest in listing derivative warrants continued during this period. However, there was a noticeable lull in the market during the summer months with the market only returning strongly in November. Morgan Stanley Dean Witter continued to be the primary issuer of the warrants with the majority of the underlying assets being Taiwanese listed equities or the Taiwan Index itself.

Since the summer, the CSX has seen a strong interest in newly formed institutional hedge funds in listing on the Exchange, the underlying factor being investor demand stemming from the volatility seen in the market this year and the positive returns from this type of fund.

As reported in the two previous newsletters, the CSX has established a market in listing the preferred share element of collateralised debt and loan obligation deals (CDO's and CLO's), which are primarily specialist debt security issues. The first listing occurred in January this year and the Exchange has gone on to list ten issues, the most recent of which were from TCW High Income Partners, Limited and Oak Hill Credit Partners I, Limited.

It is also worthy of note that the gross number of listings has recently exceeded the 500 mark. The normal figures quoted by the Exchange for the number of listings, which currently stands at 419, is on a net basis after de-listings. During the last four months the Exchange has seen de-listings from the normal maturing warrants and debt securities but listings have been swelled by a number of mutual funds. Managers have seen a pattern from investors moving to lower risk funds and opting for greater exposure to bonds and less towards equity. The fact that the net number of listings is increasing and the gross number has passed the 500 mark, illustrates satisfactory growth for the Exchange in to the high-end institutional arena.



CSX market capitalisation and number of listings

P.O. Box 2408 G.T.  
4th Floor Elizabethan Square  
Grand Cayman, Cayman Islands

Cayman Islands  
Stock Exchange  
<http://www.csx.com.ky>

Tel: (345)945-6060  
Fax: (345)945-6061  
Email: [csx@csx.com.ky](mailto:csx@csx.com.ky)

# HEDGE

M A R

The Cayman Islands Stock Exchange, together with the Monetary Authority and several other delegates from the Cayman financial community attended this successful conference in Bermuda. Despite September 11 the conference went ahead and drew almost 750 delegates in the Hedge fund industry from around the world.

The CSX booth was well visited and the interest in Hedge fund listings on

## Mar Hedge – Bermuda October 22-24, 2001

the Exchange was greater than expected in light of the US events. Indeed, the volatility in the market even prior to September 11 has translated into an increasing interest by global hedge funds to list on the CSX, as present listings figures show us.

The 8<sup>th</sup> Annual Mar Hedge was deemed a successful event and we look forward to attending next year's conference.



## The Cayman Islands Bankers' Association 8th Biennial Conference Cayman Islands - November 14-16, 2001

The conference was organized by CIBA with the CSX as presenting sponsor. It was attended by about 140 people from home and abroad, representing all areas of the banking sector. Some prominent speakers from the Cayman Banking Sector, the Government and a select few from interna-

tional regulators such as the Federal Reserve System made the conference a true success. The theme 'The Future is Now' was well appreciated and set a positive tone to the discussions, something that is much needed after some turbulent times in the financial sector.

## Membership Rules Guidance Note

The CSX has issued a guidance note in the event of a rule breach by any of its Broker Members.

The complete content of this guidance note can be obtained by contacting Monique Melis, Head of Business Development at CSX on [moniquemelis@csx.com.ky](mailto:moniquemelis@csx.com.ky) or via the CSX website [www.csx.com.ky](http://www.csx.com.ky).

Under rule 5.74 of the Broker Membership Rules, the CSX may take no action or impose one or more of certain penalties, as indicated in the rules, on each charge admitted or proved. The aim of this guidance note is to clarify the dis-

ciplinary process that the CSX will take in the event of a rule breach by a Broker Member.

The CSX aim is to prevent the breach from becoming more serious than it already is. Therefore, the process as stated in the guidance note will be adhered to prior to entering into a formal disciplinary procedure as per Chapter 5 of the Membership Rules.

*Please note that a complete set of the Membership Rules as well as the Guidance Note can be downloaded from the website in a PDF format.*

## New Appointments

The CSX is pleased to announce the addition of its three newest staff members.

### Front Desk

The friendly voice answering the telephone switchboard at the CSX is Ms. Dawn Russell. Dawn joined us as Front Office Attendant/Administrator in June.

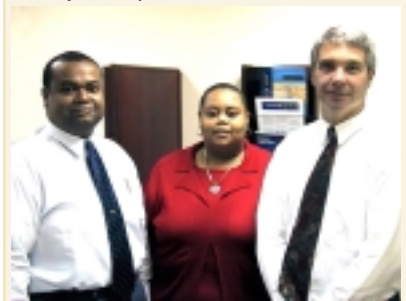
### Listing Department

Mr. Harry Fitzgerald joined the CSX, having worked for 6 years with Merrill Lynch Canada. Mr. Fitzgerald holds a Canadian Securities License.

Mr. Noel Webb is the newest member of the CSX to join the Listing Department. A former Economist with the Cayman Islands Government, Noel holds a Bachelor of Arts in Economics, and is currently enhancing his qualifications by studying for a law degree.

As Listing Executives Noel and Harry will, inter alia, be involved in reviewing and processing listing applications and convening meetings of the listing committee.

CEO, Valia Theodoraki comments: *"We are delighted Harry and these two young Caymanians have joined the Exchange. These appointments underline the CSX's commitment to employing professional staff and to providing long-term career advancement for Caymanians"*.



From Left: Noel Webb, Dawn Russell & Harry Fitzgerald

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