

Comments on debt/equity draft of 7 June 2001

The following comments arise from the reports received from the external consultees. The section references refer to the provisions in the draft of 29 May given to the consultees. Where the reference has changed in the draft of 7 June the new reference is included in square brackets.

Those comments, which are subject to consideration are provided for information only at this stage. We will provide final comments on these issues early next week after discussing them with

Reference	Comment
25-85	This section cannot be applied to perpetual debt (query #3). [to consider.]
25-85(3)	Replace '100 basis points' with '200 basis points'. Comments received in consultation have requested that the margin be increased from 100 basis points up to 400 basis points (in some submissions). It is accepted that 200 basis is the appropriate margin.
25-85(4)	Replace '100 basis points' with '200 basis points'.

Section 22

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