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## **IIC WELCOMES OFT REPORT ON EQUITY UNDERWRITING**

Today the Institutional Investor Council (IIC) welcomes the Office for Fair Trading (OFT)'s report, entitled 'Equity underwriting and associated services.'

Douglas Ferrans, Chairman of the Rights Issue Fees Inquiry\* (RIFI) and of the Investment Management Association (IMA), said:

*"The OFT report echoes the findings of the RIFI report. It is encouraging that we agree on what needs to be done to tackle the high level of underwriting fees charged by banks.*

*"Institutional investors now need to consider how to respond to the OFT's recommendations.*

*"We recognise that there is a significant gap in information and experience between issuers on the one hand, and investment banks on the other. We will therefore examine how investors can work with companies to bridge this gap going forward. We will also work with others involved in the rights issue process to achieve a competitive marketplace and ensure a fair deal for both companies and their shareholders."*

**-ENDS-**

### **Notes to editors**

Please click [here](#) to view the Office for Fair Trading's report, 'Equity underwriting and associated services.'

\*The Rights Issue Fees Inquiry was undertaken in association with the Investment Management Association (IMA), the Association of British Insurers (ABI) and the National Association of Pension Funds (NAPF). The Inquiry was commissioned by the Institutional Investor Council (IIC), which was established by the Institutional Shareholders Committee (ISC).

### **Further information can be obtained from:**

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In association with:



Association of British Insurers

