



News Release

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Waddell & Reed Appoints Lister Chief Regulatory Officer Of its Distribution Entities

OVERLAND PARK, KS, June 27, 2005/PRNewswire/ – Waddell & Reed Financial, Inc., today announced that Terry L. Lister has been appointed Chief Regulatory Officer (“CRO”) of its two broker-dealer subsidiaries, Waddell & Reed, Inc. and Ivy Funds Distributor, Inc.

As CRO for both entities, Lister will oversee the compliance process for Waddell & Reed’s proprietary advisors sales channel as well as its wholesaling activities. He will be involved at a senior level in sales suitability oversight, the interpretation and application of various regulatory statutes and rules on both a federal and state level, and will provide advice and recommendations with regard to the design and implementation of compliance and risk management programs.

“As a member of the senior management team for our broker-dealers, Terry will play a key role in helping to ensure that we reflect a culture of compliance,” said Thomas W. Butch, president of Waddell & Reed, Inc., and of Ivy Funds Distributor, Inc. “He is well known and respected in the securities industry and brings nearly 30 years of broad experience in compliance and regulatory oversight. This will help to guide our policies and practices and to ensure our compliance with the myriad regulations under which we operate.”

Lister’s entire career has been focused in the compliance and securities regulatory field. He recently served as General Counsel and Director of Government Affairs with the Financial Services Institute, a trade organization of independent broker-dealers. He also served as General Counsel with Cambridge Investment Research, Inc. Prior thereto, he spent 16 years in private law practice, most recently with Sonnenschein, Nath & Rosenthal LLP in Kansas City; and Peper, Martin, Jensen Maichel and Hetlage in St. Louis, where he represented broker/dealers and investment advisers in business, regulatory and compliance issues.

He also has served as Regional Counsel to NASD District 3 (1980-81), Chief of Enforcement with the Missouri Securities Division (1978-80), and Assistant Missouri Attorney General (1977-78). Lister also served as a member and chair of the Financial Planning Association Compliance Advisory Council, was a member of the Missouri Secretary of State’s Securities Advisory Council (1988-94) and served on the NASD District 4 Committee in 2003.

Lister earned his bachelors degree and law degree from the University of Missouri.

Through its subsidiaries, Waddell & Reed Financial, Inc. provides investment management and financial planning services to clients throughout the United States. Waddell & Reed Investment Management Company serves as investment advisor to the Waddell & Reed Advisors Group of Mutual Funds, W&R Target Funds, Inc. and Waddell & Reed InvestEd Portfolios, Inc., while Ivy Investment Management Company serves as investment advisor to Ivy Funds, Inc. and the Ivy Funds portfolios. Waddell & Reed, Inc. serves as principal underwriter and distributor to the Waddell & Reed Advisors Group of Mutual Funds, W&R Target Funds, Inc. and Waddell & Reed InvestEd Portfolios, Inc., while Ivy Funds Distributor, Inc. serves as principal underwriter and distributor to Ivy Funds, Inc. and the Ivy Funds portfolios.

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