

ISDA® JAPAN MONTHLY UPDATE

September, 2006

COMMITTEE ACTIVITIES

Credit Derivatives: Contact: Kumi Namba (knamba@isda.org)

Japanese JMPF Working Group met on September 1. Chairperson of the Financial Instruments and Exchange Law Working Group joined the group to provide an update on recent discussion with the Japanese FSA with regard to the provisions under the Law that relate to credit derivatives and handling of material nonpublic information by credit market participants. Contact: Kumi Namba (knamba@isda.org)

Operations: Contact: Kumi Namba (knamba@isda.org)

On September 5, Operations Committee members met by a conference call to discuss calibration method of Cash Settlement Payment Dates in connection with early termination options.

Regulatory: Contact: Tomoko Morita (tmorita@isda.org)

Fourth meeting of Financial Instrument and Exchange Law ("FIEL") Working Group was conducted on September 7, and members were informed of the discussions held with Japanese FSA on August 30. In the meeting with Japanese FSA, ISDA was requested to provide further information regarding new types of transactions i.e. variance swaps, recovery lock CDS, emissions trading, cat derivatives, and etc. as well as actual examples of the swap arrangement who involves non-Japanese resident. Working group members prepared/are preparing the materials to be submitted to the regulators.

UPCOMING COMMITTEE AND WORKING GROUP MEETINGS

Japan Steering Committee: (Japanese language meeting)	October 6
Japan Credit Derivatives Committee: (Japanese language meeting)	October 11
Japan Variance Swap Working Group: (English language conference call)	October 13
Japan Operations Committee: (Japanese/English language meeting)	October 25

UPCOMING CONFERENCES

ISDA REGIONAL MEMBER CONFERENCE: TOKYO - Four Seasons Hotel Tokyo at Chinzan-so	October 26
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