

ISDA® JAPAN MONTHLY UPDATE

September, 2008

COMMITTEE ACTIVITIES

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

On September 19, Japanese FSA released the exposure draft of cabinet office ordinances on the revised Financial Instruments and Exchange Act, which was passed by the Diet in June 2008. Japan Regulatory Committee members were requested to submit their comments to ISDA. The public comments are due on October 20, 2008.

WEATHER, COMMODITY & DEVELOPING PRODUCTS: Contact: Tomoko Morita (tmorita@isda.org)

Property Derivatives:

The members of Japan Property Derivatives Documentation Task Force met to discuss the template for Japanese indices. The template is based on the Form X under 2007 Property Derivatives Definitions with some modifications i.e. Initial Effective Index Price or Calculation Agent.

Emission Trading:

ISDA participated in the Emission Trading Working Group of the Securitization Forum of Japan organized by METI. Fortis Bank made a presentation on their emission trading business in EU market and the current argument of insider trading regulations in Market Abuse Directive (MAD) and MiFID. There were also some discussions in documentation including ISDA.

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

On September 3, Japanese financial institutions member firms met to discuss issues relating to implementation of automated confirmation platforms. On September 22, committee members who are also the OMG member firms met to discuss various issues and initiatives including automation of Novation processes and how to promote use of automated confirmation platforms among Japanese institutions.

UPCOMING COMMITTEE AND WORKING GROUP MEETINGS/CONFERENCES

2008 ISDA REGIONAL MEMBER CONFERENCE (Four Seasons Hotel Tokyo at Chinzan-so)	10/23
ISDA SYMPOSIUM – ISDA OPERATIONS COMMITMENTS, SOLUTIONS AND BEYOND (Four Seasons Hotel Tokyo at Chinzan-so)	10/24
Credit Derivatives Committee / CDS Auction Working Group (Japanese language meeting)	tbc
Accounting Committee (Japanese language meeting)	tbc
Operations Committee (Japanese language meeting)	tbc