



To: the Hong Kong Securities and Futures Commission ("SFC")

Re: Regulatory reform in respect of retail investment products in Hong Kong

Please find attached a joint submission which sets out the collective response by the International Swaps and Derivatives Association, Inc. (**ISDA**) and the Securities Industry and Financial Markets Association (**SIFMA**) on (i) the Consultation Paper on Proposals to Enhance Protection for the Investing Public issued by the SFC in September 2009 and (ii) the Consultation Paper on Possible Reforms to the Prospectus Regime in the Companies Ordinance and the Offers of Investments Regime in the Securities and Futures Ordinance issued by SFC in October 2009.

We feel that, as trade associations with members heavily involved in the Hong Kong structured products market, it is vital to give a response to the proposals in the SFC consultation paper, and to work alongside the regulators to ensure that any resulting changes to the regulatory regime are appropriate, take into account the necessary commercial concerns, and are proportional to achieve the goal of restoring confidence in the market.

We fully support the initiatives of the SFC to review and, where necessary, reinforce the existing regulatory regime for the sale of structure products to retail investors. If you have any queries on this submission, please do not hesitate to contact:

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We look forward to hearing from you.

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¹ For the purposes of this initiative, the Joint Associations Committee is sponsored by the International Swaps and Derivatives Association (ISDA) and the Securities Industry and Financial Markets Association (SIFMA) only.