

ISDA[®] JAPAN MONTHLY UPDATE

January, 2012

COMMITTEE ACTIVITIES

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

CCP DMP Working Group

On January 5th and 20th, members of the Working Group met to discuss remaining issues on ISDA's proposals for CCP's default management process, including 1) capped liability for non-defaulting members, 2) requirements for auction participations, 3) replenishment of guarantee fund, 4) compensation by recipients of valuation margins, 5) members' withdrawal rule.

On January 17, the Co-chairs and ISDA staff met with Japanese FSA to share the progress of the Working Group discussions and the remaining issues to be further considered among members. ISDA also submitted the progress report to JSCC.

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

On January 20, ISDA hosted a conference call for Japan Documentation Committee members to review the so-called "FATCA language." FATCA language is the proposed wording for counterparties to consider using in their ISDA Master Agreement to address the effects of the Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") on derivatives transactions. Reference materials on FATCA can be found on FATCA page of ISDA website:

<http://www2.isda.org/functional-areas/accounting-and-tax/fatca>

UPCOMING COMMITTEE AND WORKING GROUP MEETINGS / CONFERENCES

CCP Default Management Process Working Group (Japanese language meeting)	2/7
OTC Derivatives Regulations Working Group (English language conference call)	2/9
OTC Derivatives Regulations/Trade Repository and Reporting Working Group (Japanese language meeting)	2/14
Accounting Committee (mix of Japanese/English language meeting)	3/15
Collateral Committee (Japanese language meeting)	tbc
Documentation Committee (Japanese language meeting)	tbc