

September 7, 2011

Mr. Philippe Mills  
Chairman of the EU EFC  
Sub-Committee on EU Sovereign Debt Markets

Dear Mr. Mills:

We are writing in relation to the attached letter which was sent to the EFC's Sub-Committee on EU Sovereign Debt Markets by ICMA earlier this week.

The International Council of Securities Associations' (ICSA) serves as a forum for trade associations and self-regulatory organizations that represent and/or regulate firms active in the securities market, which includes both securities firms and prudentially regulated banks that have securities businesses.<sup>1</sup> The Standing Committee on Regulatory Affairs of ICSA is specifically tasked with developing ICSA's views on issues related to capital market policy development and related global standard setting bodies. The Standing Committee has carefully reviewed the attached ICMA letter and the consultation papers to which it relates.

ICSA considers that CACs are a useful mechanism to support orderly restructuring and is pleased to see this significant initiative to further the consistent use of CACs in the euro area. Nevertheless, ICSA notes that ICMA's letter raises some significant considerations which will need to be very carefully addressed in the finalisation of this standardised form of CAC language. Whilst not itself commenting in detail on the technicalities of this consultation, ICSA strongly supports the need adequately to resolve the concerns identified in ICMA's letter.

ICSA members would be pleased to discuss applicable experience from their respective jurisdictions.

Yours sincerely,



Kung Ho Hwang, Chairman  
International Council of  
Securities Associations



Duncan Fairweather, Chairman  
ICSA Standing Committee on  
Regulatory Affairs

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<sup>1</sup> ICSA's members collectively represent and/or regulate the vast majority of the world's financial services firms on both a national and international basis. More information about ICSA can be found at: [www.icsa.bz](http://www.icsa.bz)