



ICSA

INTERNATIONAL COUNCIL of SECURITIES ASSOCIATIONS

June 28, 2005

Andrew Sheng, Chairman
The Securities and Futures Commission of Hong Kong
8th Floor, Charter House
8 Connaught Road Central
Hong Kong

RE: Consultation with ICSA

Dear Andrew,

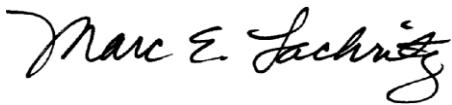
We are writing to you on behalf of the International Council of Securities Associations (ICSA) regarding future meetings between IOSCO's Technical Committee and ICSA. As you might remember, we agreed at last year's meeting in New York that representatives of IOSCO and ICSA would meet again this year at the Technical Committee's conference in Frankfurt. Philippe Richards and Marilyn Skiles have already discussed preliminary arrangements for that meeting. We are writing now to suggest that it would be useful to establish a more structured working relationship between IOSCO and ICSA.

We note with interest the ambitious agenda endorsed by IOSCO members at IOSCO's AGM in Sri Lanka, including the emphasis on raising standards of cross-border enforcement cooperation among securities regulators and on the effective implementation of IOSCO's *Objectives and Principles of Securities Regulation*. We also applaud IOSCO's formal adoption of a public consultation policy, which we regard as a critical step in making IOSCO's important work more transparent and accessible to market participants.

Given IOSCO's ambitious agenda, we believe that it more important than ever for IOSCO to establish a solid working relationship with ICSA in order to discuss ongoing issues, current developments and to current and preliminary policy proposals. The precise form of this relationship would obviously be a matter for discussion. For example, many ICSA members already attend IOSCO'S AGM's and are also now attending the Technical Committees annual conferences. Therefore, it could be possible to arrange meetings between representatives of IOSCO and ICSA to coincide with both of those meetings. It would be possible to then carry out ongoing work by e-mail and teleconferences.

We are interested in hearing back from you at your earliest convenience regarding this suggestion for closer cooperation between IOSCO and ICSA. And we both look forward to seeing you in Frankfurt in October.

Sincerely,



Marc Lackritz, President
Securities Industry Association and
Chairman, ICSA Advisory Committee



Dr. Marilyn E. Skiles
Secretary General
ICSA

c.c. Jane Diplock
Philippe Richard

The following associations are members of ICSA:

Association Francaise des Entreprises d'Investissement, France

Australian Financial Markets Association, Australia

Bond Exchange of South Africa, South Africa

Bond Market Association, United States

International Banks and Securities Association of Australia, Australia

International Capital Markets Association, Switzerland

Investment Dealers Association of Canada, Canada

Italian Association of Financial Intermediaries, Italy

Japan Securities Dealers Association, Japan

Korea Securities Dealers Association, Korea

London Investment Banking Association, United Kingdom

NASD, United States

Securities Industry Association, United States

Swedish Securities Dealers Association, Sweden

Taiwan Securities Association, Taiwan