

November 22, 2004

Minutes of the 78th Meeting
of the Tokyo Foreign Exchange Market Committee
(TFEMC)

Time and date of the meeting:	13:00-15:00 October 13, 2004
Venue:	Bank of Japan
Chairperson:	Mr. Tetsuji Ogino
Vice-Chairperson:	Mr. Muneaki Kiyota
Vice-Chairperson:	Mr. Tadahiko Nashimoto
Secretary:	Mr. Tetsuya Inoue
Attending committee members:	14

I .Resignation and Election of Members

Mr. Ogino, Chairperson of the Committee, reported that the term of Mr. Itoh as member would shortly expire, and that Mr. Itoh and Mr. Maruyama had expressed their wish to resign from the Committee. Mr. Ogino also reported that he received applications from Mr. Nagata (UFJ Bank) and Mr. Takao (Tokyo Forex & Ueda Harlow).

After reviewing the application and presentation of each candidate, votes were taken, and the candidates were elected unanimously as new members of the committee.

II . Activities of Sub-Committees

1. The Sub-Committee on Committee Steering

Mr. Takeda, Chairperson of the Sub-Committee, reported on the change of member's affiliation as follows.

- Mr. Kawano would participate in the Sub-Committee on Code of Conduct.
- Mr. Takegawa would withdraw from the Sub-Committee on NDF.
- Mr. Nagata would participate in the Sub-Committees on Market Research and Code of Conduct.
- Mr. Mizukoshi would be elected to Vice-Chairperson of the Sub-Committee on NDF.
- Mr. Kawate would participate in the Sub-Committee on Education.
- Mr. Takao would be elected to Vice-Chairperson of the Sub-Committee on Education and participate in the Sub-Committee on Settlement.
- Mr. Takenaka, Observer of the Committee, would withdraw from the Sub-Committee on Education.
- Mr. Atsuta (Bank of America NA) and Mr. Okagawa (Sumitomo Mitsui Banking Co.) would participate in the Sub-Committee on NDF.
- Mr. Inoue, Secretary of the Committee, would withdraw from the Sub-Committee on Code of Conduct.

2. The Sub-Committee on NDF

Mr. Inamura, Chairperson of the Sub-Committee, reported that the Sub-committee discussed the following issues on the Asian Documentation Package (documentation for non-deliverable foreign exchange transactions in six Asian currencies <CNY, IDR, INR, KRW, PHP and TWD>). All of proposals concerned were approved.

- 1) The Committee would send the Package by E-mail to participants in the Indicative Survey (three Japanese banks and six foreign banks) and the members of the Committee.
- 2) The Committee would recommend to use its templates as a best practice, taking into account of banks' evaluation of it in terms of legal compliance.
- 3) The Committee would hold a workshop on the NDF transaction in the next Forex Seminar scheduled on February 21, 2005, with the purpose of addressing the Package.

3. The Sub-Committee on Market Research

Mr. Kiyota, Chairperson of the Sub-Committee, reported that Mr. Kanno (Bank of Japan) gave a presentation on “Business Continuity Plan” in the last Sub-Committee.

4. The Sub-Committee on Education

Mr. Kawano, Chairperson of the Sub-Committee, proposed the plan of the next Forex Seminar as follows, and it was approved.

- Date : February 21, 2004
- Venue : Urban Net Otemachi Building
- Contents : Part1 “Seminar on NDF”
Part2 “the Discussion on Economy and Exchange”

5. The Sub-Committee on Code of Conduct

Mr. Takenaka, Vice-Chairperson of the Sub-Committee, proposed that the Committee would send the comment to NY FXC to appreciate its announcement on the changes in the guidelines for foreign exchange trading activities. And it was approved.

6. The Sub-Committee on E-Commerce

Mr. Tanaka, Observer of the Committee, reported that they discussed the following issues in the Sub-Committee.

- 1) Mr. Oki (EBS Dealing Resources Japan) gave a presentation on “EBS Prime”.
- 2) The Sub-Committee would discuss from broader perspective some potential impacts on inter-dealer markets by expanding use of e-commerce platforms.

7. The Sub-Committee on Public Relations

Mr. Oki, the Chairperson of the Sub-Committee, proposed the change of hosting service and the updates of operation procedures for managing the Committee web site.

List of Tokyo Foreign Exchange Market Committee Members
(October 13, 2004)

Members

Chairperson:

Mr. Tetsuji Ogino* (Bank of Tokyo-Mitsubishi)

Vice-chairperson and Chairperson of the Sub-Committee on Market Research:

Mr. Muneaki Kiyota* (Mizuho Corporate Bank)

Vice-chairperson:

Mr. Tadahiko Nashimoto* (Barclays Bank)

Secretary:

Mr. Tetsuya Inoue* (Bank of Japan)

Chairperson of the Sub-Committee on Committee Steering:

Mr. Keiichiro Takeda* (The Mitsubishi Trust and Banking Co.)

Chairperson of the Sub-Committee on Public Relations:

Mr. Kazuhiro Oki* (EBS Dealing Resources Japan)

Chairperson of the Sub-Committee on Education:

Mr. Fumihiko Kawano* (Nomura Securities)

Chairperson of the Sub-Committee on Legal Matters:

Mr. Shinji Imanishi* (The Sumitomo Trust and Banking Co.)

Chairperson of the Sub-Committee on Code of Conduct

Mr. Yoshiharu Yanagisawa (State Street Bank and Trust Company)

Chairperson of the Sub-Committee on Settlement:

Mr. Toshiyuki Kamiyama* (Mizuho Bank)

Chairperson of the Sub-Committee on NDF:

Mr. Hidehiko Inamura* (Citibank)

Chairperson of the Sub-Committee on E-commerce

Mr. Masamichi Koike (Sumitomo Mitsui Banking Co.)

Mr. Kosuke Hanao* (The Royal Bank of Scotland)

Mr. Masayoshi Takegawa (Merrill Lynch Japan Securities)

Mr. Kazuyori Nagata* (UFJ Bank)

Mr. Masayuki Mizukoshi* (JPMorgan Chase Bank)

Mr. Yasuhiro Kawate (Reuters Japan)

Mr. Hiroshi Takao* (Tokyo Forex & Ueda Harlow)

Observers

Mr. Yoshihiko Noguchi* (Money Brokers Association)

Mr. Hisamitsu Tanaka* (Bank of Tokyo-Mitsubishi)

Mr. Koichi Takenaka* (Mizuho Corporate Bank)

Mr. Yoichi Ueno* (Bank of Japan)

*Attended the meeting.