

From: Peter Shapiro
Sent: Monday, August 30, 2010 9:07 AM
Subject: RE: Title VII discussion with SEC/CFTC
Importance: High

Lourdes, Phyllis, et al.:

On the Dodd-Frank issues we discussed a few weeks back, I think it would be great to pick back up on some of the subjects we never fully discussed due to lack of time: (1) dealer disclosure of conflicts and material interests; (2) when is a dealer serving as an “advisor” and when are they not in an advisory relationship under the Dodd-Frank Special Entity provisions; (3) what should constitute appropriate standards for determining if an “independent representative” meets the requirements of the Special Entity provisions in Title VII; (4) what would constitute the dealer’s “reasonable basis to believe” that the independent rep meets the requirements of the statute; etc.

There are some important subtleties about the ISDA documentation structure and existing market practice that, I believe, fall significantly short of what Dodd-Frank is aiming to achieve. I think there are several workable approaches that are worth considering.

Please let me know if there would be a good time to review, either in person or by phone.

Best,

Peter