

SINGAPORE FOREIGN EXCHANGE MARKET COMMITTEE

10 SHENTON WAY
SINGAPORE 079117

EMTA, INC.

360 MADISON AVENUE
NEW YORK, NEW YORK 10017

THE FOREIGN EXCHANGE COMMITTEE

33 LIBERTY STREET, 9TH FLOOR
NEW YORK, NEW YORK 10045

July 1, 2005

Dear Market Participant,

The Singapore Foreign Exchange Market Committee (SFEMC), EMTA, Inc. (EMTA) and the Foreign Exchange Committee (FXC), acting as cosponsors, are pleased to announce the publication of template terms for Malaysian Ringgit/U.S. Dollar non-deliverable foreign exchange transactions (the "MYR Template Terms") and related documentation. The Treasury Markets Forum of Hong Kong supports the cosponsors in their publication of the MYR Template Terms for the benefit of market participants.

As with the documentation published by the cosponsors for six other Asian currencies in 2004 (the "2004 Templates"), the MYR Template Terms are intended to enhance efficient settlements across the market for non-deliverable foreign exchange transactions in the event of a long-term disruption in the local Malaysian market. In addition to furthering this goal, the MYR Template Terms closely follow the terms of the 2004 Templates, achieving a consistent approach across the Asian currency markets. Like the 2004 Templates, outstanding features of the MYR Template Terms include a 14-day Deferral Period and, following lapse of the Deferral Period, a fallback settlement rate option of an indicative market rate quote based on a survey to be administered by the SFEMC.

By separate publication, the International Swaps and Derivatives Association (ISDA), EMTA, and the FXC have published new rate source definitions for the Malaysian Ringgit to be included in Annex A of the 1998 FX and Currency Option Definitions. In addition, the rate source definition for the Indonesian Rupiah (IDR) has been amended to more clearly reflect the technical aspects of the rate publication.

To promote market-wide coordination in the bilateral implementation of the new documentation, the effective date of the new MYR Template Terms is July 15, 2005. The effective date of the new and amended Annex A definitions for MYR and IDR is also July 15, 2005.

The MYR Template Terms and the related documentation may be found on the websites of the SFEMC, EMTA, and the FXC at www.sfemc.org (see Market Practice), www.emta.org (see Standard Documentation/FX and Currency Derivatives Documentation) and www.newyorkfed.org/fxc (see Ongoing Work/FX Options and NDFS), respectively.

Parties wishing to amend their outstanding MYR/USD transactions to incorporate the new MYR Template Terms should do so on a bilateral basis. Neither EMTA nor the SFEMC will collect or monitor amendments of outstanding transactions. Nevertheless, for the convenience of the marketplace, a form of agreement that may be used to amend outstanding transactions between parties is also available on the websites listed above.

The cosponsors encourage institutions to use the MYR Template Terms to further enhance market efficiency and reduce settlement risk in the event of long-term market disruption. In addition, they are committed to providing on-going support to the industry as it continues to improve documentation of non-deliverable foreign exchange transactions to promote smooth market functioning.

Loh Boon Chye
Chair
Singapore Foreign Exchange Market Committee

Michael Chamberlin
Executive Director
EMTA, Inc.

Mark Snyder
Chair
Foreign Exchange Committee