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10 August 2009

Mr Tony Christie
Lawyer, Strategic Policy
Australian Securities and Investments Commission
GPO Box 9827
Melbourne VIC 3001

By email: policy.submissions@asic.gov.au

Dear Mr Christie

Consultation Paper 109 – Margin Lending: Financial Requirements

The Securities & Derivatives Industry Association is the peak industry body representing wholesale and retail stockbrokers and investment banks in Australia.

As participants of the Australian Securities Exchange, the financial requirements applicable to our member organisations are those set out in the ASX operating rules. I note that in correspondence with your office, it was confirmed that this situation would continue once the new margin lending licensing requirements came into effect.

Accordingly, as ASIC financial requirements will not be relevant to our members, we will not be making a detailed submission at this time.

Should you require further information, please contact me or Doug Clark, Policy Executive by email: dclark@sdia.org.au.

Yours sincerely,

**David W Horsfield MSDIA
Managing Director/CEO**

ABOUT SDIA: The Securities & Derivatives Industry Association is the peak body representing the interests of wholesale and retail market participants in Australia. SDIA was formed in 1999 at the time of the demutualisation of the Australian Stock Exchange. Currently we have 66 member organisations, which account for some \$4bn worth of trading daily on the ASX, which is approximately 98% of the market by value. In addition we have over 1300 individual members and are working to build the profession of stockbroking. Our member firms employ in excess of 25,000 people.