



**DIPLOMATIC CONFERENCE TO ADOPT A  
CONVENTION ON SUBSTANTIVE RULES  
REGARDING INTERMEDIATED SECURITIES**  
Geneva, 1 to 13 September 2008

UNIDROIT 2008  
CONF. 11 – Doc. 43  
Original: English  
12 September 2008

**DRAFT RESOLUTION NO. 1**

**Relating to the State of Work and Further Proceedings for the Adoption of the draft  
Convention on Substantive Rules regarding Intermediated Securities**

*(submitted by the delegations of France and the United States of America)*

*THE CONFERENCE,*

*HAVING ADVANCED* the work aimed at the finalisation of the draft Convention in a satisfactory manner;

*RECOGNISING* that the substantial problem areas identified prior to this Conference as being of significant importance and in need of a widely shared solution (good faith acquisition, insolvency, securities settlement systems) have been successfully resolved;

*MINDFUL* that the Conference has successfully accomplished the policy choices regarding intermediated securities and that the Second Reading of the draft Convention has been completed;

*RECOGNISING* the particular complexity of this instrument stemming from the functional approach, the many interfaces between uniform law and non-harmonised law, and its subject matter;

*MINDFUL* of a number of delegations' desire to have made available a first draft of the Official Commentary on the Convention to be prepared in accordance with Resolution No. 2 prior to its adoption with a view to deepening their understanding of the draft text as agreed at the outcome of the first session of the Conference;

*RESOLVES:*

*TO EXPRESS* its gratitude to the Government of the Swiss Confederation for having generously hosted this Conference and for indicating its willingness to host a brief final session of the diplomatic Conference for the finalisation and adoption of the draft Convention on a date not later than September 2009;

*TO REQUEST* that invitations to that final session of the Conference be sent out no later than March 2009;

*TO REQUEST* that the first draft of the Official Commentary prepared in accordance with Resolution No. 2 be circulated to all negotiating Governments and Observers no later than three months prior to the opening of the final session of the Conference;

*TO INVITE* delegations and Observers to submit any request to amend the draft text no later than six weeks prior to the opening of the final session, indicating significant problems capable of preventing the Convention from working properly;

*TO REQUEST* the Chairman of the Drafting Committee, not more than three members of the Drafting Committee to be appointed by him, the Chairman of the Commission of the Whole, the Chairman of the Final Clauses Committee, the Chairman of the Credentials Committee, the Chairpersons of the Committee on Emerging Market Issues, Follow-up Work and Implementation, and the Chairpersons of the Working Group on Settlement and Clearing Systems, in close co-operation of the UNIDROIT Secretariat, to examine the aforementioned requests for amendment and the reasons given and to provide the Conference with recommendations as to whether the submissions requesting amendments meet the aforementioned test, it being understood that such recommendations are not binding; and

*TO INVITE* all delegations and Observers to attend the final session of the Conference no later than September 2009 with a view to finalising and adopting the Convention on the closing date.

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