

**Meeting between Federal Reserve Staff and
Representatives of CME Clearing
June 21, 2011**

Participants: Jeff Stehm, Stuart Sperry, Stu Desch, Lyle Kumasaka, Jeff Walker, Kirstin Wells, Danielle Little, Mark Magro, and Mark Haley (Federal Reserve Board); Katie Wisby, Kelly Emery, David Marshall, Richard Heckinger, Anna Voytovich, Eve Boboch, Rebecca Chmielewski, John McPartland, Ivana Ruffini, Caitlin Smyth, Robert Steigerwald, and Keri Trolson (Federal Reserve Bank of Chicago); Barry Maddix and Karrie Rodriguez (Federal Reserve Bank of Boston); Ari Cohen, Stephanie Heller, Annmarie Rowe-Straker, and Brian Marchellos (Federal Reserve Bank of New York)

Kim Taylor, Tim Maher, Michael Auriemma, Suzanne Sprague, Mike Kobida,
Tim Doar, David Shu, and Ryan Ingram (CME Clearing)

Summary: At the request of Board staff, representatives from CME Clearing met with Board and Reserve Bank staff at the Federal Reserve Bank of Chicago to discuss CME Clearing's collateral practices and liquidity arrangements. Board staff requested the follow-up discussion to help inform the Board as it considers authority provided in Section 806 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, regarding designated financial market utilities' potential access to Federal Reserve Bank ("FRB") accounts, services, and discount and borrowing privileges.

The discussion followed a question and answer format, covering CME Clearing's financial resources and liquidity arrangements. The discussion also covered CME Clearing's contingency plans to effect timely settlement in the event of a participant default. Meeting participants acknowledged that further discussions on technical, operational, and legal issues associated with access to FRB accounts, services, and discount and borrowing privileges may be necessary going forward.

