

**Meeting between Staff of the Federal Reserve, the SEC, the OFR, and Representatives and
Members of the Risk Management Association (RMA)
May 16, 2017**

Participants: Vic Chakrian, Susan McLaughlin, Keith Pulsifer, Janine Tramontana, Shannon Bozelli, Patrick Steiner, Linda Fahy, Radhika Mithal, William Riordan, Matthew Bray, Eugene Shapsyuk, Kevin Kristoff, and Leyla Alkan (Federal Reserve Bank of New York (FRBNY)), and Lesley Chao (Federal Reserve Board)

Teresa Hajost, Laura Gold, Penelope Saltzman and Maciej Szepler (Securities Exchange Commission (SEC))

Viktoria Baklanova, and Danylo Rakowsky (Office of Financial Research (OFR))

Fran Garritt (RMA), Paul Guinan (RMA) Kristin Missil (Northern Trust), Lisa Stephenson (JPMorgan Chase), Chris Kunkle (Bank of Montreal), Alina Casner (Bank of New York Mellon), Glenn Horner (State Street), Tom Poppey (Brown Brothers Harriman), Mark Whipple (Goldman Sach), Anthony Toscano (Deutsche Bank), and Jane Wagner (Vanguard)

Summary: Staff of the FRBNY, SEC, and OFR met with representatives and members of the RMA to discuss general developments in the securities lending and money markets. In the course of the meeting, RMA representatives and members also provided the Federal Reserve with their high level views on a number of pending rulemaking proposals. In particular, the RMA members and representatives provided the following comments related to pending Federal Reserve rulemaking proposals:

- (i) With regard to the Federal Reserve's proposed rule to address risk associated with excessive credit exposures of large banking organizations to a single counterparty credit, RMA members suggested that a more flexible range of approaches to measuring exposures should be considered in order to mitigate the potentially negative impacts of the proposal on securities lending agent activities; and
- (ii) With regard to the Federal Reserve's proposed rule regarding restrictions on qualified financial contracts of systemically important US banking organizations and the US operations of systemically important foreign banking organizations, RMA members noted that the compliance deadline should take into account the need for agent lenders to do client on-boarding and education and documentation changes and that differences between the US and other regulatory regimes should be harmonized.