

**Meeting Between Staff of the Federal Reserve System and U.S. Treasury Department and
Members of the Treasury Market Practices Group
November 28, 2023**

Participants: Molly Mahar, Laura Lipscomb, Mark Buresh, and David Bowman (Federal Reserve Board); Michelle Neal, Anna Nordstrom, Brett Rose, William Riordan, Roberto Perli, Frank Keane, Janine Tramontana, Ellen Correia Golay, Anirudh Arikarevula, and Agata Zhang (Federal Reserve Bank of New York)

Joshua Frost, Brian Smith, and Frederick Pietrangeli (U.S. Treasury Department)

Casey Spezzano (NatWest Markets); David Finkelstein (Annaly Capital Management); Alberto Antonini (Tudor Investment Corp); Richard Chambers (Goldman Sachs); Qing Chen (Morgan Stanley); Debbie Cunningham (Federated Investors); Sunil Cutinho (CME Group); Matthew Franklin-Lyons (JP Morgan Chase); Doug Friedman (Tradeweb); Laura Klimpel (Depository Trust and Clearing Corp); John Madziyire (Vanguard); Edward McLaren (Bank of America Merrill Lynch); Adam Nunes (Hudson River Trading); Andrew Pfenning (Bank of New York Mellon); Gerald Pucci (BlackRock); Marc Seidner (PIMCO)

Summary: During the Treasury Market Practices Group (TMPG) meeting on November 28, 2023,¹ staff of the Federal Reserve System and TPGM members discussed the agencies' Basel III endgame notice of proposed rulemaking (Basel III endgame proposal). TPMG members expressed various concerns regarding the proposal, including aspects of the framework for operational risk capital, the overall calibration of the proposal, and the potential consequences of differences between the U.S. framework and other jurisdictions. TPMG members also raised concerns regarding the potential impact of the Basel III endgame proposal and the Board's GSIB surcharge proposal on trading activity in general and central clearing in particular.

¹ The TPMG is a private-sector group of market professionals sponsored by the Federal Reserve Bank of New York that meets regularly to discuss and promote best practices related to trading, settlement, and risk management in the Treasury, agency debt, and agency mortgage-backed securities market. *See* <https://www.newyorkfed.org/TMPG/about.html>.