

**Meeting between Federal Reserve Board and
the Futures Industry Association
July 15, 2014**

Participants: Janet Yellen, Stanley Fischer, Daniel Tarullo, Lael Brainard, Scott Alvarez, Jeffrey Marquardt, Jennifer Lucier, David Lynch, Molly Mahar, Jordan Bleicher, and Sean Campbell (Federal Reserve Board)

Antoine Babule, Patrice Blanc, Clive Christison, Gerald Corcoran, George Crapple, Michael Dawleyl, Maureen Downs, Thomas Erickson, Arthur Hahn, Jeffrey Howard, Clark Hutchison, Peter Johnson, Jerome Kemp, Najib Lamhaouar, Walt Lukken, Emily Portney, Kenneth Raisler, Michael Schaefer, Pat White, Michael Yarian, Bruce Beatus, Maureen Burke, Mark Dillon, Kimberly Johns, Greg Wood, Mary Ann Burns, John Damgard, Allison Lurton, Jacqueline Mesa, Dawn Stump, and Barbara Wierzynski (Futures Industry Association)

Summary: Representatives of the Futures Industry Association (“Future Industry Association representatives”) met with members of the Federal Reserve Board and Federal Reserve Board staff to discuss potential risks associated with central clearing and capital charges for clearing members. The Futures Industry Association representatives recommended subjecting central counterparties (“CCPs”) to a stress testing regime similar to that which now applies to banks, requiring CCPs to contribute their own resources to default waterfalls, requiring increased transparency and disclosure of CCP risks, as well as certain enhancements to CCP resolution planning. The Futures Industry Association representatives also suggested that more stringent leverage ratio requirements and other post-crisis bank regulatory reforms are putting pressure on the business model of futures commission merchant and could potentially impair the liquidity of derivatives markets.