

**Meeting between Federal Reserve Staff
and Representatives of Goldman Sachs
February 7, 2012**

Participants: Michael Foley, Tim Clark, Barbara Bouchard (Federal Reserve Staff)
Craig Broderick, Esta Eiger Stecher, Sarah E. Smith, C. Kyle Russ,
Faryar Shirzad (Goldman Sachs)

Summary: Staff of the Federal met with representatives of Goldman Sachs to discuss the firm's views on aspects of the Market Risk Proposal (issued to implement the market risk standard developed by the Basel Supervisors Committee) and the Heightened Prudential Standards proposals (issued pursuant to section 165(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act).

Goldman emphasized several points included in their comment letter to the Market Risk Proposal, in particular noting concerns about competitive equity issues that arise from the proposed alternatives to the use of credit ratings. With regard to the Heightened Prudential Standards proposal, Goldman representatives expressed the view that the measure of exposure was inaccurate and biased upward. They offered to make technical staff available to Federal Reserve Staff to work through issues.