

**Meeting between Federal Reserve Board Staff and Representatives of MFX Solutions
Margin and Capital Requirements for Covered Swap Entities [R-1415]
January 4, 2012**

Participants: Sean Campbell, David Lynch, Stephanie Martin (Federal Reserve Board)
Brian Cox, Anmol Chandan and Jorge Santisteban (MFX Solutions)

Summary: Federal Reserve Board staff met with representatives of MFX Solutions to discuss issues relating to the proposed rule of the Board and other prudential regulators on capital and margin requirements for uncleared swaps.

Among matters discussed in the meeting were: the specific definition of low risk financial end users within the proposed rule as well as the specific business practices of MFX Solutions and how these activities may be consistent with the intent of a low risk financial end user designation, the specific forms of acceptable collateral for both initial and variation margin under the proposed rule as well as whether explicit guarantees of derivative transactions by the U.S. government would satisfy the proposed rule's eligible collateral requirement.