

**Meeting between Federal Reserve Staff
and Representatives of the American Bankers Association Securities Association
March 13, 2012**

Participants: Sebastian Astrada, Robert Brooks, Anna Harrington, Jeremy Newell, and Mark Van der Weide (Federal Reserve Staff)

Cecilia Calaby and Diana Preston (American Bankers Association Securities Association); Phillip Wertz (Bank of America); Curtis Tao (Citigroup); Jeffrey Herbert (Deutsche Bank); Rosemary Spaziani (Goldman Sachs); William Lawrence Kuhn IV (HSBC North America); Kathleen Juhase (JPMorgan Chase); and Barry Taylor-Brill (Wells Fargo)

Summary: Staff of the Federal Reserve Board met with representatives of the American Bankers Association Securities Association (“ABASA”) to discuss the amendments to sections 23A and 23B of the Federal Reserve Act and the Board’s Regulation W pursuant to sections 608 and 609 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) and associated issues arising from Title VII of the Dodd-Frank Act.

An outline of the issues discussed is attached. Among matters discussed in the meeting were ABASA’s views regarding the requirements related to derivatives clearing infrastructures and Futures Commission Merchants under Title VII and their implications for bank affiliate transactions. The ABASA representatives also noted a concern about the attribution rule for certain types of bank lending transactions where the proceeds of a loan are used to post margin to an affiliate in connection with a swap transaction. Staff invited the ABASA representatives to provide written comments on these issues.



**ABASA Lawyers Committee
Federal Reserve Board
April 13, 2012**

23A/23B and Derivatives Clearing Infrastructures

- A. Introduction
- B. FCMs
- C. Mutualization
- D. Margining Procedures
- E. Daily Settlement Price Determination/Default Management Mechanisms
- F. Bank Lending