

**Meeting between Governor Tarullo and  
Representatives of Americans for Financial Reform (AFR)  
August 17, 2011**

Participants: Governor Daniel Tarullo and Mark Van Der Weide (Federal Reserve Board)

Marcus Staley, Lisa Donner, Ronald Blackwell, Gerald Epstein and  
Heather McGhee (AFR Representatives)

Summary: Representatives of AFR met with Governor Tarullo and Board staff to discuss Basel III, capital surcharges for SIFIs, regulatory capital arbitrage, and financial sector concentration. AFR discussed with Board representatives avenues for public interest organizations to comment on Basel Committee proposals, expressed concern about arbitrage of risk-based capital requirements by firms, inquired about the extent to which the Dodd-Frank Act and the Board's prudential standards for SIFIs would incent such firms to shrink, and urged the Board to consider the Basel SIFI capital surcharge framework as a floor not a ceiling for capital surcharges on US SIFIs.