

**Meeting between Governor Tarullo
and BNY Mellon (BNYM) and State Street**

October 2, 2013

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

Gerald Hassell (BNYM); Jay Hooley and Stefan Gavell (State Street)

Summary: Representatives of BNYM and State Street (collectively, the “Representatives”) met with Governor Tarullo and Federal Reserve Board staff to discuss the interagency proposal to impose a supplementary leverage ratio surcharge on U.S. G-SIBs and their subsidiary banks. The Representatives described how the proposal would impact the custody bank business model, provided their views on broader market effects of the proposal, and suggested that the proposal be modified to (i) exclude certain safe assets (such as central bank deposits), (ii) allow banks with lower levels of liquidity risk to face a lower leverage surcharge, and/or (iii) use average assets instead of period-end assets. The Representatives also expressed concerns about the treatment of securities financing transactions and transactions between two G-SIBs under the Basel Committee’s large exposure proposal and the Federal Reserve’s single-counterparty credit limits proposal.