

**Meeting between Federal Reserve Staff
and The Depository Trust & Clearing Corporation (DTCC)
March 28, 2011**

Participants: Stuart Sperry, Melissa Leistra, Susan Foley, Jeff Walker, Danielle Little, Malcolm Britton and Sheryl Hudson (Federal Reserve Board); and Larry Sweet, Ari Cohen, Michelle Braun, Karen Brifu, Tom Ferlazzo, Jennifer Tranter, Richard Roberts, Jim Mahoney and Raleigh Tozer (Federal Reserve Bank of New York)

Don Donahue, Mike Bodson, Murray Pozmanter, Susan Cosgrove, Doug George, Nan Noonan, John Abel, Andrew Gray, Joe Brennan, Merrie Witkin, Nikki Poulos and Lois Radisch (DTCC)

Summary: At the request of Board staff, representatives from The Depository Trust & Clearing Corporation met with Board and Reserve Bank staff to discuss settlement and collateral practices and the supporting banking arrangements of DTCC's clearing and settlement subsidiaries, The Depository Trust Company (DTC), National Securities Clearing Corporation (NSCC), and Fixed Income Clearing Corporation (FICC). Board staff requested the discussion to help inform the Board as it considers the authority provided in Section 806 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank"), regarding designated financial market utilities' potential access to Federal Reserve Bank accounts, services, and discount and borrowing privileges.

The discussion followed a question and answer format (no documentation was provided by DTCC) covering the DTCC subsidiaries' current settlement practices in the context of FICC and NSCC's potential access to accounts and services under the Dodd-Frank Act (as a member of the Federal Reserve System, DTC currently has accounts and services access). During the discussion, DTCC staff members stated that their thoughts were preliminary and that additional consideration and analysis were needed, but that access to accounts for settlement and deposit services might be desirable. If NSCC or FICC opened accounts, DTCC staff believed it was likely that they would use a set of services similar to DTC. Specifically, DTCC staff discussed the need to further consider use of the Fedwire Funds Service, the Fedwire Securities Service, and the National Settlement Service.