

**Meeting Between Staff of the Federal Reserve Board and Securities Industry and Financial  
Markets Association (SIFMA)  
May 18, 2016**

**Participants:** Felton Booker, Mark Savingnac, Sean Healey, and Josh Strazanac (Federal Reserve Board)

Michele Navazio (Sidley Austin LLP); John Carolan and Christine Ayotte-Brennan (Fidelity Investments); Christopher Ramsay (Citadel LLC); Wendy Yun (The Goldman Sachs Group, Inc.); Laura Martin (SIFMA)

**Summary:** Staff of the Federal Reserve Board met with representatives of Sidley Austin LLP, Fidelity Investments, Citadel LLC, The Goldman Sachs Group, Inc., and the SIFMA to discuss the Board's outstanding proposal on long-term debt (LTD) and total loss absorbing capacity (TLAC) requirements for systemically important U.S. bank holding companies (BHCs). With respect to the proposal, the representatives encouraged the Board to (i) eliminate restrictions on guarantees by BHCs of their subsidiaries' liabilities, (ii) permit BHCs to guarantee the third party qualified financial contracts of their subsidiaries, or, in the alternative, grandfather such guarantees entered into before the effective date of the proposed rule, (iii) permit offset rights by the subsidiaries of BHCs whose liabilities are guaranteed by their parent BHCs, and (iv) exempt LTD and TLAC held by a BHC in connection with market making activities from the proposal's capital deduction requirements.