

**Meeting Between Federal Reserve Board Staff
and Representatives of UBS and TriOptima
August 26, 2010**

Participants: Erik Heitfield, Pat White, Pawel Szerszen, David Lynch and
Johnson Elugbadebo (Federal Reserve Board)

Michael Clarke (UBS) and Raf Pritchard (TriOptima)

Summary: Staff of the Federal Reserve Board met with representative of UBS and TriOptima to discuss systemic risk surveillance and OTC margin requirements. Representatives from UBS and TriOptima first discussed potential options for improving the transparency to regulators of systemically important financial institutions' derivative counterparty exposures. As part of this discussion, Federal Reserve staff and representatives from UBS and TriOptima also addressed the challenges associated with using swaps data repositories for systemic risk monitoring, and the potential for an alternative approach that would allow financial institutions to report aggregate counterparty exposure and collateral data to regulators. During the meeting, representatives from UBS and TriOptima also briefly outlined potential options for custodial arrangements to protect posted margin for OTC derivative transactions.