

TMPG Meeting Minutes

June 27, 2017

TMPG attendees

Dan Dufresne (Citadel)	Ari Kavour (Wells Fargo)	Ryan Sheftel (GTS)
Deirdre Dunn (Citigroup)	Sheryl King (Bank of Canada)	James Slater (BNY Mellon)
Kourtney Gibson (Loop Capital)	Edward McLaren (Bank of America)	Stu Wexler (NEX Group)
Beth Hammack (Goldman Sachs)	Giuseppe Nuti (UBS Securities)	Thomas Wipf (Morgan Stanley)
Gary Kain (AGNC Investment Corp)	Jerry Pucci (BlackRock)	

FRBNY attendees

Nashrah Ahmed	Frank Keane	Brett Rose
Michelle Ezer	Radhika Mithal	Janine Tramontana
Josh Frost	Simon Potter	Nate Wuerffel

U.S. Department of Treasury attendee

Fred Pietrangeli

- The meeting commenced with the Chair acknowledging the many contributions of the departing member of the TMPG Secretariat, Nashrah Ahmed.
- The chair of the working group on information handling introduced a revised draft of a supplemental note drafted by the working group members that provides examples to illustrate situations when certain draft recommended best practices around the sharing and use of confidential information could apply. Members provided feedback on the revised examples. TMPG members discussed releasing for public consultation a set of proposed best practice recommendations around the sharing and use of confidential information along with the set of illustrative examples once they are finalized in the coming weeks.
- TMPG briefly discussed industry preparedness for the December 2017 implementation of the Financial Industry Regulatory Authority's (FINRA) Rule 4210.¹ Members noted that some market participants have requested that FINRA delay the effective date and are seeking clarification from FINRA on a variety of topics, including among other things, treatment of collateral received under the Securities Exchange Act Rule 15c3-3, calculation of minimum transfer amounts. TMPG members were generally supportive of market participants' continued dialogue and clarification with FINRA to address any outstanding issues in a timely manner. Members also reiterated their support for the TMPG-recommended best practice of two-way exchange of margin, which is designed to mitigate counterparty exposures and is permissible under the FINRA rule.

¹ The amendment to FINRA's [Rule 4210](#) establishes margin requirements for transactions in To Be Announced (TBA) market. Broker dealers are required to exchange collateral for forward settling transactions including TBAs, specified pool transactions and collateralized mortgage obligations (CMOs).

- The working group on clearing and settlement in government securities markets provided an update. The co-chair of the working group shared draft maps illustrating various clearing arrangements for Treasury cash market transactions, for example, a transaction between a dealer and its customer that clears and settles bilaterally or a transaction between two dealers that clears and settles through the central counterparty. In the ensuing discussion, TMPG members agreed with the direction taken in the draft maps and encouraged the working group to carry on. The working group co-chair informed members that work on a white paper would continue over the summer, and a draft would be shared at a future TMPG meeting.
- It was noted that a group of experts from member firms had completed a periodic review of the TMPG's [Operational Plans for Various Contingencies for Treasury Debt Payments](#) and found the paper to be current and factually accurate. Members reiterated the views that the proposed operational approach described in the paper represented prudent contingency plans but such steps would not alleviate the significant damage to, and confidence in, the Treasury market if debt payments were delayed.
- Next, the TMPG briefly discussed recent market developments including reactions to the June [FOMC meeting](#) and the [Addendum to the Policy Normalization Principles and Plans](#); reactions to the first of a series of [reports on the financial regulatory system](#) released by the U.S. Treasury; reactions to the selection of a broad Treasury repo financing rate as the [preferred rate](#) by the Alternative Reference Rates Committee; and views on market implications of a potential relocation of central clearing entities after Brexit.
- Finally, the TMPG Secretary provided an update from the working group on 10-year anniversary initiatives. The working group proposed to organize an event at the New York Fed in October to raise awareness about the TMPG and its mission to develop and promote the best practice recommendations from the committee's work over the last decade. It was noted that conference could also provide an opportunity to collect feedback on the proposed set of information handling best practice recommendations that are expected to be published for public comment before October. TMPG members endorsed the proposal and encouraged the working group to begin the conference planning process.
- The next TMPG meeting is scheduled to take place on Tuesday, September 26th, 2017 from 3:00-5:00 PM.

TMPG Teleconference Meeting Minutes

August 15, 2017

TMPG attendees

Dan Dufresne (Citadel)	Gary Kain (AGNC Investment Corp)	Ryan Sheftel (GTS)
Deirdre Dunn (Citigroup)	Sheryl King (Bank of Canada)	Stu Wexler (NEX Group)
Mike Garrett (Wellington)	Edward McLaren (Bank of America)	Thomas Wipf (Morgan Stanley)
Kourtney Gibson (Loop Capital)	Giuseppe Nuti (UBS Securities)	
Beth Hammack (Goldman Sachs)	Sandie O'Connor (JP Morgan Chase)	

FRBNY attendees

Nashrah Ahmed	Lorie Logan	Janine Tramontana
Michelle Ezer	Radhika Mithal	Nate Wuerffel
Frank Keane	Brett Rose	Carolyn Windover

U.S. Department of Treasury attendee

Fred Pietrangeli

- On August 15, the TMPG held a teleconference call and agreed to publish, for public comment, proposed best practice recommendations for handling confidential information, as well as a set of examples that provide illustrative situations where the proposed best practices could apply.² The comment period will end on October 15, 2017.
- The chair of the working group on 10-year anniversary initiatives provided an update on a TMPG conference [TMPG Best Practices @ 10: A Look Back and a Look Ahead](#) scheduled for October 5, 2017. The half-day conference will be by invitation and will raise awareness about the TMPG's best practice recommendations—how they evolved over the decade and the priorities going forward—and promote further adoption of the best practices. The working group chair noted that the event will also provide an opportunity for the TMPG to discuss the proposed best practices on information handling with a broad audience and solicit their feedback.
- The next TMPG meeting is scheduled to take place on September 26th, 2017 from 3:00-5:00 PM.

² The TMPG [published the proposed best practice recommendations on information handling](#) on August 15, 2017.