

Meeting Minutes

Federal Reserve Bank of New York
33 Liberty Street
7th Floor, Main Conference Room

Thursday, February 5, 2015
8:30 am – 10:00 am (New York time)

Present: Andrew Alter (by phone), James Brown, Martha Burke (by phone), Victoria Cumings, Maria Douvas, Luke Farber, Jill Hurwitz (by phone), Pamela Hutson (by phone), Robert Klein, Jeff Lillien, Jill Hurwitz (by phone), Ricardo Salaman (by phone), Lisa Shemie, Garland Sims, Bryan Woodard

Federal Reserve Bank of New York participants: Christina Getz, Lisa Kraidin, David Parkinson, Jamie Pfeifer, Shawei Wang

FXC Workstreams

The group discussed the status of two workstreams in which members are currently engaged with the Foreign Exchange Committee (“FXC”). The first of these involves the expansion of the *Global Preamble* issued jointly by eight foreign exchange committees in 2014. FMLG members have offered feedback with a goal of finalizing the revised *Global Preamble* in March. FMLG members are also involved in the FXC’s update of its *Recommendations for Non-Dealer Participants*. FMLG members have already reviewed roughly two-thirds of the recommendations.

Issues Raised by the CHF Event

Members discussed the January 15 decision by the Swiss National Bank (“SNB”) to end its exchange-rate cap on the Swiss franc (CHF) against the euro.

Dodd-Frank Operational/Implementation Issues

The group briefly discussed its earlier work on the topic of prime brokerage on swap execution facilities (“SEFs”). Members agreed to inquire about the status of this issue in the industry and report back.

ISDA: FX Documentation Committee

The group revisited the topic of the Operations Confirmations Working Group of the International Swaps and Derivatives Association’s (“ISDA”) FX Documentation Committee work on disruption events for deliverable currencies. Members volunteered to reach out to the Emerging Markets Trade Association (“EMTA”) for possible assistance and coordination.

Legal Opinion Update Project

Gary Sims, Chair of the Opinions Subcommittee of the FMLG, announced the completion of the 2014 project to collect updated opinions with respect to the enforceability of the netting provisions of the International Currency Options Market Master Agreement (“ICOM”), the International Foreign Exchange Master Agreement (“IFEMA”), the Foreign Exchange and Options Master Agreement (“FEOMA”), and the International Foreign Exchange and Currency Option Master Agreement (“IFXCO”) from 34 jurisdictions around the world. Members received copies of the opinions.

Administrative Matters

The group briefly discussed the 2015 Quadrilateral Meeting of the European Financial Markets Lawyers Group, the Financial Markets Law Committee (“FMLC”), the Financial Law Board and the FMLG.

FMLG Treasurer Martha Burke offered an update on the group’s finances and noted an increase in wire fees charged by the group’s bank.

FMLG Secretary Lisa Kraidin noted that the FMLG is continuing to work with Wegner CPAs, the group’s accounting firm, to prepare Form 1099s for the domestic firms that performed services for the group in 2014. Work has also commenced on the group’s Form 990 which will be ready for filing in April.

Ms. Kraidin circulated and discussed antitrust guidelines for the FMLG. She highlighted particular behaviors that are inappropriate and unlawful for the group. Members were directed to review the guidelines and to submit any comments on how to strengthen or otherwise improve them.

Members were presented with minutes from the group’s January 8, 2015 meeting and approved them without dissent.

The next meeting of the FMLG will be held on March 5, 2015, at 8:30 a.m.