



**F M L G | F I N A N C I A L M A R K E T S L A W Y E R S G R O U P**

**Meeting Minutes**

Federal Reserve Bank of New York  
33 Liberty Street  
13<sup>th</sup> Floor

Thursday, December 1, 2016  
4:30 pm – 6:00 pm (New York time)

*Present:* Syed Riaz Ali (by phone), Christian Artmann, James Brown, David Buchalter (by phone), Martha Burke, Sarah Donnelly, Luke Farber, Terence Filewych, Jill Hurwitz (by phone), Pamela Hutson (by phone), Glade Jacobsen (by phone), Robert Klein, Matthew Lillvis, Jeffrey Saxon, Lisa Shemie, Bryan Woodard

*Federal Reserve Bank of New York (“FRBNY”) participants:* Christina Getz, Michael Nelson, Thomas Noone, Benjamin Snodgrass, Angela Sun

**Impact of Election on Markets**

The group discussed post-election markets, recent political developments, and potential legal and regulatory changes on the horizon.

**2017 Quadrilateral**

Acting Chair Michael Nelson announced that the FMLG would be hosting the 2017 Quadrilateral Meeting of the FMLG, the European Financial Markets Lawyers Group, the Financial Markets Lawyers Committee (“FMLC”), and the Financial Law Board. Mr. Nelson asked members to brainstorm topics.

**Discussion of FMLC Call**

FMLG Secretary Tom Noone provided members with an update on the call with the FMLC and asked members for their feedback on the topics that were addressed during the call. Members indicated that they would prefer to discuss Brexit in more depth during the next call.

## **Possible Legal Opinion on FX Code Adherence**

The group discussed potentially engaging antitrust counsel to provide a legal opinion on issues relating to adherence to the FX Global Code (“FX Code”). Members generally supported the idea. The group designated an ad hoc subcommittee to consider the issue further before making a final decision.

## **Calendar for Phase III FX Code (Draft Dec. 5)**

Foreign Exchange Committee (“FXC”) Secretary Christina Getz updated the group on the schedule for the next round of feedback on the third phase of the FX Code. Ms. Getz announced that there would be another opportunity for feedback on a “fatal flaw” draft of the third phase of the FX Code in February. The group discussed the progress of the third phase of the FX Code, particularly areas that are still in need of consensus.

## **October 6 Flash Crash: Best Practices for Barrier Options**

One member reported that he, along with some other members, had taken a look at the best practices for the barrier options market published by the FXC in 2000 to see whether it is in need of an update in light of changes in market structure. He said that they had not found major deficiencies in the best practices, but recommended that the FMLG look at the issue further. Mr. Nelson asked members to raise the issue within their firms and said that he would put the issue on the agenda for the January meeting.

## **Legal Opinion Report**

David Buchalter, Chair of the FMLG Documentation and Legal Opinions Working Group, reported that the FMLG would be gathering opinions from a decreased number of jurisdictions for the next legal opinions update project. The group then discussed alternatives to the annual legal opinions project. Members began to converge around an approach. Mr. Nelson said that he would put the topic on the agenda for the next meeting. He recommended that the group make a decision on whether to take the approach they had discussed during the first quarter of 2017.

## **Administrative Business**

Members were presented with minutes from the group’s November 3, 2016, meeting and approved them.

FMLG Treasurer Martha Burke offered a brief update on the group’s finances.

## **New Business**

Mr. Nelson solicited topics from the group for the next meeting's agenda. Topics that were proposed included the potential impact on master agreements of a eurozone breakup; fallback valuation mechanisms for certain deliverable currency markets; and issues related to the Emerging Markets Traders Association's and CME Group's adoption of Moscow Exchange ("MOEX")'s USD/RUB FX benchmark.