

Minutes of the regular meeting of the Payments Risk Committee

2:00 p.m. - 4:00 p.m., Thursday, March 20, 2014

Federal Reserve Bank of New York

33 Liberty St., New York, NY

Present:

Kurt Woetzel, Chair, Bank of New York Mellon

Cynthia Boorman, Bank of America*

Janet Ou, Bank of America*

Jeff Kuhn, Bank of New York Mellon

Michael Gotimer, Bank of Tokyo-Mitsubishi UFJ*

Ebru Pakcan, Citi

Christine Cumming, FRBNY

Robin Vince, Goldman Sachs*

Vanessa Lin, HSBC*

Paul Camp, JPMorgan Chase

David Russo, Morgan Stanley

Darryll Hendricks, UBS*

David Crawford, State Street

Steve Ellis, Wells Fargo*

Jeanmarie Davis, FRBNY

Linda Fahy, FRBNY

Sandy Krieger, FRBNY

Catherine Kung, FRBNY

Tyisha Rivas, FRBNY

Lawrence Sweet, FRBNY

Marsha Takagi, FRBNY

Staff at Board of Governors*

** Participated by phone*

Part I

A representative from the U.S. Department of Treasury's Office of Financial Research briefed the PRC on the Office's roles and responsibilities. The representative and Committee members expressed interest in potential collaboration on future work related intraday liquidity flows.

Part II

1. PRC Administration

- Minutes for the December 12, 2013, meeting were approved.
- A member from FRBNY legal staff briefed the PRC on the Committee's 2014 Antitrust Guidelines.

2. Tour de Table

Committee members discussed potential areas of concern in payments, clearing, and settlement activity. The topics of discussion included:

- Russian sanctions and payments flows and
- Services offered central counterparties.

3. Update and next steps on continuing strategic agenda topics

a. Central counterparty topics

The central counterparty (CCP) workstream lead briefed Committee members on work the group has completed to support the disclosure of information requested through the publication, *Recommendations for Supporting Clearing Member Due Diligence of Central Counterparties*. The group also provided an update on follow-on work focused on enhanced clearing member disclosure to CCPs.

b. Cyber threat project

The cyber threat workstream lead briefed Committee members on feedback received regarding the Executive Seminar on Cyber Threats to Large Value Payments, Clearing, and Settlement Systems hosted at FRBNY in February 2014 and potential follow-on work. Committee members agreed to review industry led work related to cyber threats in order to identify potential opportunities for PRC engagement.

c. PRC Emergency Conference Call Guide

The emergency call guide workstream lead presented a revised document to the Committee for its consideration. Committee members expressed support for the proposed revisions.

4. Potential 2014 Strategic Initiatives

Committee members briefly discussed potential strategic initiatives related to payments, clearing, and settlement activity. The committee expects updates on the following topics in June:

- Potential follow-on work related to cyber threats
- Refresh of the Intraday Liquidity Flows paper
- Potential risks posed by non-banks in the payments system
- Payment fraud mitigation
- Shortened-settlement cycle

5. Other business

a. PRC Charter

Committee members agreed to the proposed changes and approved the revised charter.

b. Meeting schedule for 2014

- June 19; September 18; December 18

The meeting adjourned at approximately 4:05 p.m.