Mr. Baxter called the meeting to order at approximately 12:00 p.m.

1. Membership

The group discussed the implementation of membership terms as specified in bylaws adopted earlier this year.

2. FSB/FSOC Initiatives

Members discussed the interaction between the Financial Stability Board (“FSB”), an international body, and the Financial Stability Oversight Council (“FSOC”), a domestic body. Although the two bodies may coordinate, it was noted that the FSB is not a treaty-based organization and the FSOC is not bound by the FSB’s pronouncements.

3. Foreign Short Sale Reporting Issues

Members discussed the European Short Selling Regulation (“SSR”), which entered into force in November 2012. Members noted that the requirements of the SSR differ greatly from the requirements under U.S. law.
4. **Foreign Exchange**

Members discussed the reduction in overall volume of the foreign exchange market. In particular, members observed that banks appear to have less risk appetite for foreign exchange trades than in the past, resulting in less market liquidity.

5. **Legislative Developments**

Members discussed proposed regulation on a variety of topics.

The meeting adjourned at approximately 2:00 p.m.