

**Minutes of the regular meeting of the Buyside General Counsel Committee**

12:00 p.m. – 2:00 p.m., Tuesday, March 5, 2013

Federal Reserve Bank of New York

33 Liberty St., New York, NY

**1. Sequester**

Members discussed the budget sequester briefly. It was not seen as a major event for the financial markets. It was observed that the recent Italian election results had more potential effect in the markets.

**2. High-frequency trading**

Members noted that there is often confusion between algorithmic trading and the process by which trading firms try to use technology to gain a temporal trading advantage (for example, by moving servers closer to exchanges' systems). Some members thought that non-algorithmic high-frequency trading would be less prevalent within the next 2-3 years.

**3. Argentina sovereign bond litigation**

Members discussed recent developments in Second Circuit litigation involving Argentina sovereign debt that appears to favor creditors who refused to restructure this debt.

**4. EU Financial Transaction Tax**

Members discussed proposals that have been made for an EU-wide financial transaction tax. It was noted that some countries are already imposing some type of transaction tax (for example, France) and that past efforts to levy financial transaction taxes have not been successful.

**5. Alternate Investment Fund Management Directive (AIFMD) Disclosure Regime**

Members briefly discussed the AIFMD Disclosure Regime.