

# Alternative Reference Rates Committee (ARRC)

## Minutes for the June 24, 2020 Meeting

The ARRC Chair welcomed everyone and thanked them for their continued active participation during these unprecedented times and encouraged everyone to continue their engagement and interaction during the virtual meetings. Members were reminded that relevant materials from the [Credit Sensitivity Group](#) workshops are posted on the New York Fed's website and that the comments to the [Treasury Request for Information \(RFI\)](#) on the possibility of issuing a SOFR-linked floating rate note are due by July 6. In addition, an update was provided on the recent [Financial Conduct Authority \(FCA\) announcement](#) on its intent to bring forward legislation to amend the Benchmarks Regulation.

Brunswick provided an update on the planning for a new format for the ARRC Roundtable to accommodate the remote working environment. This year's event will include a series of webcasts on topics related to the LIBOR transition which will be held over the course of July and August.

The ARRC Chair thanked members for providing feedback on the [supplemental spread adjustment consultation](#) on the technical details of the ARRC's recommended spread adjustment, specifically on whether the ARRC recommendation should utilize ISDA's recommended spread adjustment *methodology* or spread adjustment *value* that is calculated from the ISDA approach. The ARRC received 49 responses to its supplemental consultation from a mix of banks, government-sponsored entities, asset managers, insurance companies, and industry associations. A clear majority of respondents to the consultation favored a recommendation of the same spread adjustment *values* as ISDA and respondents were unanimous that the timing of the ARRC recommendation on spread adjustments should align with timing of the ISDA spread adjustment. The ARRC approved the two technical details resulting from the consultation and a [press release](#) was subsequently released.

The ARRC chair provided a high level overview of the responses received on the [private student loan fallback language consultation](#). The ARRC received 11 responses from consumer advocacy groups, lenders and loan servicers active in the student loan market, associations representing education finance organizations, and other institutions. In line with the majority of responses, the ARRC's final recommendations have retained the language proposed in the consultation with certain technical adjustments. The ARRC approved the recommendations resulting from the consultation and [final recommended fallback language](#) was subsequently published.

Members of the Consumer Products working group provided updates on various workstreams under way. Since the meeting, the [conventions for student loans](#) was published.

The Chair of the Business Loans working group provided an update on the group's progress toward developing conventions and refining the recommended hardwired fallback language for syndicated loans. The [updated hardwired fallback language](#) was subsequently published.

The co-Chairs of the Securitizations/CLO working group provided an update on the conventions for their asset class. The document is expected to be published in the near future.

The ARRC Chair provided a further update on the launch of the Request for Proposal processes in connection with the [2020 Objectives](#) related to selecting: 1) an administrator of an ARRC-recommended

forward looking SOFR rate, and 2) an administrator to publish the ARRC's recommended spread adjustments and spread-adjusted rates. He noted that an email was sent requesting volunteers to participate in the process and encouraged members to respond.

In closing, the ARRC Chair noted that the next meeting will be August 5th via Webex and that he appreciates everyone's diligence as we continue to move forward with the transition.

## Attendance at the June 24, 2020 Meeting\*

### ARRC Members

American Bankers Association	Hu Benton
Association for Financial Professionals	Thomas Hunt
AXA	Julien Zusslin
Bank of America	Greg Todd*
Bank of America	Sonali Theisen*
BlackRock	Jack Hattem
Citigroup	Dina Faenson
CME Group	Agha Mirza
CRE Finance Council	Raj Aidasani
CRE Finance Council	Sairah Burki
Deutsche Bank	Adam Eames
Deutsche Bank	Greg Coutu
Ernst & Young	Marc Saidenberg
Fannie Mae	Bob Ives
Fannie Mae	Thomas Gargan
Federal Home Loan Bank	Kyle Lynch
Federal Home Loan Bank of New York	Rei Shinozuka*
Ford Motor Company	Jason Behnke
Ford Motor Company	Nathan Herbert
Freddie Mac	Ameez Nanjee
Freddie Mac	Guim Barbour
Freddie Mac	Michelle Thomas
Goldman Sachs	Guillaume Helie
Goldman Sachs	Jason Granet
Government Finance Officers Association	Emily Brock
Government Finance Officers Association	Pat McCoy
HSBC	Shirley Hapangama
Intercontinental Exchange	Harvey Flax*
International Swaps and Derivatives Association	Ann Battle
JP Morgan Chase & Co.	Alice Wang
JP Morgan Chase & Co.	Andrew Gray*
JP Morgan Chase & Co.	Emilio Jimenez*
JP Morgan Chase & Co.	Keith Stephan*
JP Morgan Chase & Co.	Perry Elbadrawi
KKR	Tal Reback
Loan Syndications and Trading Association	Meredith Coffey
MetLife	Alex Strickler
MetLife	Joe Demetrick
Morgan Stanley	Maria Douvas
Morgan Stanley	Matt Ochs*
Morgan Stanley	Tom Wipf
National Association of Corporate Treasurers	Tom Deas
PIMCO	Andrei Wagner
PNC	Alexander Spiro
PNC	Andrew Wilson

Prudential Financial	Chris McAlister
Prudential Financial	Gary Horbacz*
Securities Industry and Financial Markets Association	Chris Killian
Securities Industry and Financial Markets Association	Rob Toomey*
Structured Finance Association	Jen Earyes
Structured Finance Association	Kristi Leo
TD Bank	Greg Moore
TD Bank	Priya Misra
Wells Fargo	Alexis Pederson
Wells Fargo	Brian Grabenstein
Wells Fargo	Susan Hughes
World Bank Group	Don Sinclair*

**Ex-Officio ARRC Members**

Commodity Futures Trading Commission	Sayee Srinivasan
Consumer Financial Protection Bureau	Abhishek Agarwal
Federal Deposit Insurance Corporation	Irina Leonova
Federal Housing Finance Agency	Dan Coates
Federal Reserve Bank of New York	Betsy Bourassa
Federal Reserve Bank of New York	Fatima Madhany
Federal Reserve Bank of New York	Jamie Pfeifer
Federal Reserve Bank of New York	Jennifer Hur
Federal Reserve Bank of New York	Justin Epstein
Federal Reserve Bank of New York	Justine Hansen
Federal Reserve Bank of New York	Nate Dodge
Federal Reserve Bank of New York	Nate Wuerffel
Federal Reserve Bank of New York	Raymond Check
Federal Reserve Bank of New York	Scott Nagel
Federal Reserve Bank of New York	Veronika Jastrzebski
Federal Reserve Bank of New York	William Riordan
Federal Reserve Board of Governors	Darren Gersh
Federal Reserve Board of Governors	David Bowman
Federal Reserve Board of Governors	Evan Winerman
Federal Reserve Board of Governors	Jeffrey Huther
National Association of Insurance Commissioners	Eric Kolchinsky
New York State Department of Financial Services	Steven Kluger*
Office of Financial Research	Matt McCormick*
Office of the Comptroller of the Currency	Kevin Walsh*
U.S. Department of Housing and Urban Development	Jose Fernandez
U.S. Securities and Exchange Commission	David Metzman
U.S. Securities and Exchange Commission	Jason Leung
U.S. Securities and Exchange Commission	Michelle Danis
U.S. Securities and Exchange Commission	Tamara Brightwell
U.S. Treasury	Peter Phelan

**Observers**

Bank of Canada	Harri Vikstedt
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BNP Paribas  
Brunswick  
Cadwalader  
Cadwalader  
Cadwalader  
Consumer Bankers Association  
Deloitte  
Morgan Lewis  
Oliver Wyman  
Student Borrower Protection Center  
Venerable

Simon Winn  
Pauline Blondiaux  
Jason Halper  
Lary Stromfeld  
Michael Sholem  
Tim Carey  
Alexey Surkov  
Jon Roellke  
Adam Schneider  
Ben Kaufman\*  
Charles Schwartz

\*This meeting was held via WebEx; asterisk indicates participation by dial-in.