

Financial Markets Lawyers Group Meeting

Federal Reserve Bank of New York
33 Liberty Street
7th Floor, Main Conference Room

Thursday, February 6, 2014
8:30 am – 10:00 am (New York time)

Present: James Brown, Martha Burke (by phone), Victoria Cumings, Sarah Donnelly, Luke Farber, Pamela Hutson (by phone), Jill Hurwitz (by phone), Robert Klein, Ruth Laslo (by phone), Jeff Lillien, Ricardo Salaman, Lisa A. Shemie (by phone), Garland Sims, Bryan Woodard (by phone)

Federal Reserve Bank of New York participants: Christina Getz, Joyce Hansen, David Parkinson, Shawei Wang

Post-Trade MCAs

Andrew Harvey (GFMA), Trevor Evans (HSBC), Daniel Ruperto (GS) and Leslie Payton Jacobs (EMTA) joined the call to discuss the processes used to confirm NDF/NDO, especially those crosses that fall outside of established practices and are currently manual and would benefit from automation. The guests noted the development of a cross-currency matrix of SWIFT codes representing proposed data sources that are widely used in the market. A discussion about the next steps required (including, possibly an appropriate Master Confirmation Agreement) to increase the use of standardized (automated) confirmations ensued.

SEFs and the FX Market

The group discussed processes surrounding FX prime brokerage (PB) arrangements and swap execution facilities (SEFs). In particular, the group focused on draft responses to questions from the CFTC's Division of Market Oversight .

Dodd-Frank Operational/Implementation Issues

The group discussed its progress on addressing issues surrounding FX trade reporting, pre-trade mid-market mark disclosure, and the PB/FX Intermediary arrangement.

Legal Opinion Update Project

Gary Sims, as Chair of the Opinions Subcommittee of the FMLG, announced the completion of the 2013 ICOM, IFEMA, FEOMA and IFXCO legal opinion update project, and described legal developments that have occurred in 2013 in select jurisdictions. Members were informed that most opinions were simple updates and that overall the project came in under budget.

Quadrilateral

The group briefly discussed the July 2014 Quadrilateral Meeting of the European Financial Markets Lawyers Group, the Financial Markets Law Committee ("FMLC"), the Financial Law Board and the FMLG. Emails have been sent to the secretariats of the participating groups to request suggested topics and a draft agenda should begin taking shape in the near future.

Administrative Matters

The group was informed that another assessment of member firms will likely be necessary in the near future to cover the costs of the legal opinion update project as well as Dodd-Frank related outside counsel fees.

The next meeting of the FMLG will be held on Thursday, March 6, 2014.