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The Asset Managers Forum Derivatives Operations Committee

Meeting Notes – February 17, 2010

Fed Letter

Charlie Mulhern, Wellington, gave the update from the Operations Steering Committee (OSC). The OSC, as well as product specific Steering Committees and Implementation Groups, are working on the industry letter to regulators. The first draft was sent to the Fed in early February, the second draft will be shared with the Fed on 2/19. The letter contains general business and infrastructure improvement commitments, as well as product specific commitments for credit, rates, equity and collateral. The letter will contain a section on central clearing, but there will most likely be no volume commitments for buy side clearing. The letter will also contain discussion on transparency and standardization. The draft will be circulated with the AMF Derivatives Committee within the next few days and any significant comments should be shared with Charlie Mulhern or AMF/AMG staff (Tim Cameron/Joe Sack participate on the OSC and can communicate feedback).

Rates Implementation Group (RIG)

Kathy Andews of Bank of America Merrill Lynch gave the RIG update. RIG is composed of 14 dealers and 5-10 buy side members, and it meets weekly. The RIG reports to the Rates Steering Committee (RSC) and the OSC. There are four subgroups: Architecture; Trade Repository; Regulatory Target Delivery (looks at confirm backlog and electronic confirmation); and Cashflow Reconciliation and Settlements. More buy side participants are welcome to the RIG, if you are interested in joining please email Kathy Andrews. For the past couple of months the RIG has been focused on the Fed letter.

The Committee will also periodically ask for updates from the other Implementation Groups, i.e. equity, credit and collateral.

Central Clearing

SIFMA AMG had arranged a buy side meeting with the NY Fed in January to discuss impediments of broader buy side clearing. The discussion included topics such as segregation of margin issues, unresolved regulatory relief on 4D and 17 f 6. Asset managers also underlined the fiduciary responsibility to their clients to ensure best execution.

Davis Polk is working on a comparison of buy side protections in the various clearing environments, including bi-lateral and various CCPs. This comparison will help in defining the impediments to broader clearing.

Another meeting with the NY Fed and the buy side is scheduled for 2/18 to discuss transparency.

Participants at 2/17/2010 Meeting of the AMF Derivatives Ops Committee:

Ed Matuga	State Street
Dan Murphy	Fidelity Investments
Gabriel Rosenberg	Davis Polk
Robert Kolpin	MarkitServ
Neal Wright	State Street
Joe Berardo	ICE
Rajinder Coureas	Bank of America Merrill Lynch
Shannon Law	Franklin Templeton

Danny Kramer	Wellington
Elisa Nuottajarvi	SIFMA AMG
Stan Forkner	Tri Optima
Steve Crowley	Fidelity Investments
Martha Moutafis	Fidelity Investment
Justin Bergolios	T Rowe Price
Nora Tajian	Tri Optima
Robert Wood	JP Morgan
Kathy Andrews	Bank of America
Mike Dell	State Street
Jason Ward	Fidelity Investments
John Haywood	JP Morgan
Carissa Warner	Bank of America Merrill Lynch
Tom Garley	Trade Web
Tom Brown	Omgeo
Courtney Gavin	BBH
Eric Ilardi	Promark Global Advisors
Tim Cameron	SIFMA AMG
Frank Lupica	Lord Abbett
Charlie Mulhern	Wellington Management
Robert Dawson	BNY Mellon
Brian Crowe	Fidelity
Alan Kennedy	Globe Op Financial Services
Ila Eckhoff	BlackRock
Joe Titus	MarkitServ
Lara Gilman	Fidelity Investments
Ron Kesicki	JP Morgan
Don Sternard	ICE
Ryan Gable	Metropolitan West Asset Management
Ben Lis	ICE