

Minutes of the regular meeting of the Payments Risk Committee

2:00 p.m. - 4:00 p.m., Thursday, December 12, 2013

Federal Reserve Bank of New York

33 Liberty St., New York, NY

Present:

Kurt Woetzel, Chair, Bank of New York Mellon

Bill Pappas, Bank of America*

Jeff Kuhn, BNYM

Greg Fell, Citi

Ebru Pakcan, Citi

Artemis Yu, Citi

Scott Simon, Deutsche Bank

Christine Cumming, FRBNY

Robin Vince, Goldman Sachs*

Diane Reyes, HSBC

Paul Camp, JPMorgan Chase

David Russo, Morgan Stanley

Darryll Hendricks, UBS*

David Crawford, State Street

Steve Ellis, Wells Fargo

Brian Begalle, FRBNY

Jeanmarie Davis, FRBNY

Sandy Krieger, FRBNY

Catherine Kung, FRBNY

Tyisha Rivas, FRBNY

Staff at Board of Governors*

** Participated by phone*

Part I

A representative from the U.S. Department of Treasury's Office of Critical Infrastructure Protection and Compliance Policy briefed the PRC on the office's roles and responsibilities. The U.S. Treasury representative expressed interest in working with the PRC to incorporate the perspective of market participants into its analysis on linkages of critical financial market infrastructure.

Part II

1. PRC Administration

- Minutes for the September 12, 2013, meeting were approved.
- Minutes for the October 13, 2013 meeting were approved.

2. Update and next steps on continuing strategic agenda topics

a. Central counterparty topics

The central counterparty (CCP) workstream lead briefed committee members on work the group has completed to support the information requested through the publication, *Recommendations for Supporting Clearing Member Due Diligence of Central Counterparties*. The group also provided an update on follow-on work focused on enhanced clearing member disclosure to CCPs.

b. Cyber threat project

The cyber threat workstream lead briefed committee members on the speakers, agenda, and participants for an executive seminar on cyber threats to payment, clearing, and settlement systems. The FRBNY will host the seminar in February 2014.

c. PRC Emergency Conference Call Guide

The emergency call guide workstream lead briefed the committee on its progress, noting that the review team intends to submit a revised document for review to the PRC in March 2014.

3. Potential 2014 Strategic Initiatives: Tour de table

Committee members discussed potential strategic initiatives related to payments, clearing, and settlement activity. The committee expressed interest in the following topics:

- PRC CCP Study Group
- Cyber Threat Seminar
- Intraday Liquidity Flows
- Non-banks in the payment system
- Payment fraud mitigation

4. Other business

a. PRC Charter

PRC Secretariat staff briefed the committee on potential revisions to the PRC charter that would improve its consistency with other FRBNY sponsored committee charters. Committee members agreed to the proposed changes, and discussed possible options for additional participation by financial market infrastructures in the committee.

b. Meeting schedule for 2014

- March 20; June 19; September 18; December 18

The meeting adjourned at approximately 4:05 p.m.