

FEDERAL RESERVE BANK *of* NEW YORK

REFERENCE RATE USE COMMITTEE

CHARTER

Effective Date: October 9, 2024

The Reference Rate Use Committee (“RRUC”) is a group of market professionals committed to supporting the integrity, efficiency, and resiliency in the use of U.S. dollar denominated interest rate benchmarks (“reference rates”) across financial markets. The RRUC is sponsored by the Federal Reserve Bank of New York (the “New York Fed”).

Objectives

The RRUC will observe how use of reference rates including, but not limited to, those produced and administered by the New York Fed, is evolving and how the markets underpinning those rates may be changing as well. The RRUC will seek to promote best practices related to the use of reference rates, including the recommendations that were set out by the Alternative Reference Rates Committee. The RRUC will also seek to raise awareness and share insights via publications and other industry efforts, and collaborate globally with relevant international working groups and official sector entities, as appropriate.

Membership and Governance

The New York Fed will have sole discretion to appoint and remove members. The RRUC is intended to be constituted in a way that promotes a diversity in perspectives in the relevant financial markets. RRUC members are senior professionals from various institutions, including securities dealers, buy-side firms, and financial market utilities with an important presence in markets that rely on reference rates (or who will otherwise represent the views of key segments of participants in those markets) and an array of relevant expertise across trading, operations, law, and compliance. In addition, the New York Fed and other U.S. official sector entities selected by the New York Fed, will serve as ex-officio members. A list of members and ex-officio members is available on the [RRUC’s website](#).

The RRUC will seek to make decisions by consensus. The RRUC will generally consist of no more than twenty-five members. Membership will be limited to facilitate meaningful input that reflects a diversity of perspectives and to facilitate reaching consensus on key issues.

In general:

1. Members are chosen with regard to the firm for which they work, their job responsibilities within that firm, their market stature, and their ongoing role in the market. Members should be senior professionals with broad knowledge of the relevant financial markets and reference rates.
2. Members should be in a position to speak for their respective institutions and should have the capacity to recognize strategic opportunities to improve the stability, efficiency, and integrity of financial markets affected by reference rates.
3. Members should be leaders with sufficient authority to engage their firms' senior management, to marshal resources to support the RRUC's activities, and to muster their institutions' endorsement of proposed actions, best practices, or other recommendations. As senior market professionals, RRUC members are expected to work to support the overall integrity and efficiency of the relevant markets, and not their own individual or institutions' interests.
4. The membership term is two years, which may be extended at the New York Fed's discretion. An effort will be made to consider new eligible members to promote diverse perspectives across the relevant financial markets.
5. If a member wishes to resign from the RRUC or depart from his or her employer, then the member shall inform the RRUC Chair and secretariat as soon as practicable. In case of a departure, the New York Fed may either terminate the member or consider the member for membership in the RRUC as a representative of his or her new employer.

The RRUC will have a chair and a secretariat. The New York Fed will designate the RRUC's chair, who will not be a New York Fed employee, and who will have a normal term of two years, which may be extended. The chair will be responsible for leading RRUC meetings and representing the views of the RRUC as whole in consultation with the secretariat.

The secretariat will be staffed by the New York Fed, with several responsibilities including maintaining the official repository of RRUC documents, including agendas, minutes, and public communications. A member of the New York Fed's Legal Group will attend all RRUC meetings.

The RRUC may establish standing subcommittees or working groups. It may also designate ad hoc working groups to focus on specific issues. The chair, in consultation with the New York Fed, may appoint a Chair for any subcommittee or working group. Subcommittees and working groups will report regularly to the RRUC. The RRUC may periodically invite non-member subject matter specialists to provide their expertise to a particular working group or otherwise contribute to discussions and deliberations.

Member Responsibilities

Each member, supported by his or her institution, shall:

1. Bring appropriate issues to the RRUC's attention and contribute as appropriate to the RRUC's discussion and work;
2. Build support for the RRUC's publications by engaging with his or her member firm's executive management and colleagues. Participate actively in RRUC work and provide the resources to support the RRUC's projects and general needs; and
3. Attend each regularly scheduled RRUC meeting in-person unless otherwise advised by the secretariat; alternates cannot be sent to meetings.

Additionally, everyone who participates in the RRUC (including non-member participants), a subcommittee or a working group must (i) conduct themselves according to the spirit and the letter of state and federal antitrust laws, (ii) adhere to the terms of this Charter and any Antitrust Guidelines supplied by the New York Fed, and (iii) review and acknowledge the Charter and Antitrust Guidelines at least annually.

Procedures

The RRUC will meet, on average, three times per year. Additional RRUC meetings may be held if needed.

Meeting agendas will be prepared for each meeting by the secretariat and circulated to members prior to the meeting. Agendas will be published on the RRUC website on or around the day of each meeting.

Members, as well as any other presenters, should submit presentation materials to the secretariat in advance of the meeting. The secretariat will publish presentation materials (other than working materials for ongoing RRUC projects and administration materials) and other public communications in a timely fashion on the RRUC's website. Members sharing presentation materials at RRUC meetings are responsible for ensuring that they have all necessary rights and licenses to enable the RRUC to publish the contents of such materials and that such materials do not contain competitively sensitive information.

The secretariat will keep minutes of each meeting that include: (i) a list of attendees; (ii) a brief description of the topics discussed; and (iii) resolutions or other decisions reached, as appropriate.

Draft minutes will be circulated to members as soon as practicable following each meeting. Members may register objections to the draft minutes by notifying the secretariat. The RRUC will adopt final minutes after addressing any objections that have been raised. The secretariat shall keep a copy of all adopted minutes and shall aim to publish final minutes on the RRUC website generally no later than 30 days after each meeting.

Any recommendation the RRUC wishes to make on market-related topics will be discussed and decided upon by the RRUC. Any recommendation or publication agreed to by the RRUC will be distributed by the RRUC via the RRUC's website or other means agreed to by the RRUC.

Federal Reserve Conduct Rules¹

New York Fed staff participating in the RRUC are subject to the [Federal Reserve Bank of New York's Code of Conduct](#), Communicating with the Public policy, and the [Federal Open Market Committee's policy on External Communications of Federal Reserve System Staff](#). New York Fed staff are prohibited from discussing material non-public or confidential supervisory information with members of the RRUC. Opinions expressed or statements made by New York Fed staff in the course of the RRUC's activities are solely those of the participant and do not necessarily reflect the views of the New York Fed or the Federal Reserve System.

Statements published by the RRUC do not reflect the views of the New York Fed or the Federal Reserve System.

¹ For purposes of this section, the term "RRUC" shall also encompass any subcommittees and working groups that the RRUC may establish.