



Minutes of the Operations Managers Working Group

Meeting, April 2, 2014

Host: Wells Fargo

On-Site Attendees

Jorge Hidalgo	Barclays
John Ferraiuolo	Barclays
Michael Debevec	Blackrock
Ken Rozycki	Brown Brothers Harriman
Brian Caffrey	Deutsche Bank
Rob Duff	HSBC
James Andrews	JP Morgan Chase
Michael Hanlon	Standard Chartered
Richard Maling	State Street
Michael Reese	UBS
Robert Eby	Wells Fargo

Dial-In Attendees

Katherine Andrews	Bank of America Merrill Lynch
James Wallin	Alliance Bernstein
Laura Coward	Bank of Montreal
Nicholas Silenok	Bank of Tokyo-Mitsubishi
Joe Demetrio	Bank of New York Mellon
Tony Rocchio	Bank of New York Mellon
Christopher Vogel	Blackrock
Daniel Reilly	Citi
Daniel Lennon	CLS
John Fusco	CLS
Allison Measso	Credit Suisse
Stephen Dobson	Deutsche Bank
Kimberley Carabetta Allison	Goldman Sachs
Ricardo Salaman	Goldman Sachs
Mark Kaufman	JP Morgan Chase
Gregory English	Morgan Stanley
Maria Douvas-Orme	Morgan Stanley
Valerie Gavora	Morgan Stanley
Marcellus Fisher	PIMCO
Paul Christakos	UBS
Ruth Laslow	UBS
Tahir Mahmood	Wells Fargo



Federal Reserve Bank of New York Attendees

Christina Getz

Shawei Wang, Counsel

1. Historic rate rollbacks

The Chair welcomed Ruth Laslo from the Financial Markets Lawyers Group (FMLG) for this portion of the meeting. Ms. Laslo discussed procedures for the early termination of a trade known as historical rate rollbacks. She described potential early termination procedures. Private sector members discussed the processes from the perspective of their respective firms.

2. Portfolio compression for FX products

The Chair welcomed Ricardo Salaman and Maria Douvas-Orme from the FLMG for this portion of the meeting. Mr. Salaman discussed portfolio compression for FX products. He noted that portfolio compression is required for some asset classes and solicited feedback from the OMWG regarding portfolio compression for FX products. OMWG members discussed the issue. Some private sector members noted that in their view it was not generally practical to conduct portfolio compression on FX products at this time. However other members indicated that they favored the practice and are proponents of compression across all asset classes including FX.

3. FXC and FMLG updates

Christopher Vogel, FXC liaison to the OMWG, updated the Group on topics discussed at the March 2014 FXC meeting. Mr. Vogel noted that private sector FXC members updated the FXC on two work streams which include a review of the FX liquidity landscape and the ongoing overview of the various FXC best practice publications. Mr. Vogel also reviewed other topics discussed at the FXC meeting, including a member presentation on the FXC Guidelines for Foreign Exchange Trading Activity, a discussion on the FX market impact of SEFs and general market discussion.

Counsel updated the Group on recent topics of discussion by the Financial Markets Lawyers Group (FMLG). The FMLG plans to continue work related to interpretation of new regulations, and is currently working on projects related to SEFs and prime brokerage.

4. Updates on workstreams

James Wallin, OMWG Co-Chair, updated the group on the buy side working group. Mr. Wallin noted that the group met since the last meeting and discussed aspects of the allocation process from the buy side and sell side perspective. The group will continue to focus on the allocation process going forward with the aim of identifying areas for improvement. Rob Eby, OMWG Co-Chair, noted that the OMWG will establish a group to review best practices around operational risk.



5. Market discussion

Rob Eby discussed the FX Commitments Narrative process with the Group. The Narrative was in lieu of the FX IG standardization template that is typically filled out by market participants.

6. Other business

The next OMWG meeting will be held on Wednesday, May 28 at 3:00 PM, hosted by HSBC.