

MEMORANDUM

TO: File
FROM: Jeffrey Dinwoodie
RE: Meeting with the International Swaps and Derivatives Association and the Securities Industry and Financial Markets Association
DATE: August 3, 2010

On August 3, 2010, representatives from the Securities and Exchange Commission (“SEC”) and the Commodity Futures Trading Commission (“CFTC”) met with representatives from the International Swaps and Derivatives Association (“ISDA”) and the Securities Industry and Financial Markets Association (“SIFMA”) (collectively, “ISDA-SIFMA”) at the SEC’s headquarters in Washington, DC. The SEC representatives were Robert Cook, James Brigagliano, Brian Bussey, Thomas Eady, Joseph Furey, Joshua Kans, John Polise, Nancy Burke-Sanow, David Michehl, Paula Sherman, Kim Allen, David Dimitrious, Elizabeth Sandoe, Angie Le, Cindy Oh, Richard Ferlauto, Matthew Daigler, Heather Seidel, Susan Ervin, Michael Hershaft, James Eastman, Nathaniel Stankard, Gloria Dalton, Andrew Blake, Michael Reedich, Amy Starr, Cristie March, Catherine Moore, Adam Glass, Ethiopis Tafara, Haimera Workie, and Jeffrey Dinwoodie. The CFTC representatives were Warren Gorlick, Anuradha Banerjee, Irina Leonova, David Aron, Todd Prono, Mark Fajfar, Mauricio Melara, Jane Croessmann, Jeff Steiner, Jacob Preiserowicz, Salman Banaei, Julian Hammar, Thelma Diaz, Jennifer Bauer, Paul Schlichting, Sarah Josephson, Nancy Markowitz, Riva Adriance, Thomas Leahy, Susan Nathan, and Rick Shilts. The ISDA representatives were Chris Young, Bob Pickel, R. Martin Chavez, Conrad Volstad, Mary Johannes, and Josh Cohn. The SIFMA representatives were Ken Bentsen, Tim Cameron, and Annette Nazareth. ISDA-SIFMA discussed the following issues relating to the Title VII rulemakings under the Dodd-Frank Act: definitions, clearing, SEFs, data and reporting, capital, position limits, registration, and trading.

**Title VII Rulemakings - SEC/CFTC and ISDA/SIFMA
Agenda - August 3, 2010 (11am)**

- I. Major Issues: Rulemaking
 - A. Clearing
 - Criteria: standardization (legal and contractual), liquidity, product/process uniformity
 - Timing of clearing requirement
 - Clearinghouse core principles
 - B. SEFs
 - Definition
 - Existing models for execution
 - Interaction of clearing requirement v. execution requirement
 - C. Data and Reporting issues
 - Challenges of real-time reporting
 - Leverage existing processes/initiatives
 - Proprietary information
 - D. Capital
 - FCM/derivatives-related v. consolidated bank capital

- II. Definitions
 - Major Swap Participant/Major Security-Based Swap Participant, substantial position/exposure, highly leveraged, commercial risk, security ('33/'34 Acts v. '40 Act)

- III. Clarifications
 - Reporting of pre-enactment swaps
 - Position limits for security-based swaps
 - Sec. 739 (legal certainty): application to security-based swaps

- IV. Other Issues
 - Registration: swap dealer v. broker-dealer
 - Trading issues (Volcker Rule/Sec. 716)