

Minutes of CCP12 Executive Committee Teleconference

Date: February 18, 2014.

Attendees:

1. Erica Brown (EB)
2. Glenn Goucher (GG), Vice-Chair
3. Luis Jorge Pelayo (LJP)
4. Marcus Zickwolff (MZ), Vice-Chair
5. Paul Jones (PJ)
6. Rory Cunningham (RC)
7. Siddharta Roy (SR) , Chair
8. Takeshi Hirano (TH)

Minutes of last teleconference dated 10th Dec'2013 was approved by all participants.

SR informed that Moscow Exchange would sponsor next CCP12 AGM to be held in Moscow on 29th-May-2014. The format for the program was discussed. It was agreed that the format may be kept in line with previous meetings with first half as public session and second half in post lunch session for internal meeting.

LJP suggested that considering vast changes post credit crisis period, it would be interesting to have a workshop on critical areas like *Collateral Management, Portability & Segregation and link between CCPs* where critical person from CCPs who have done considerable work in those areas may speak about their experience e.g. Eurex could speak on collateral segregation and BMF Bovespa on cross margining. He also suggested that for the public session, the user expectations from CCP's could be discussed. **SR** suggested inviting regulators for speaking on developments and Regulatory thinking on *Single Entity Exposure, Recovery & Resolution* etc. may be considered for the public session. **GG** suggested discussing the issues with territoriality problems and suggested Mr. Dale could provide some guidance in this regard.

It was suggested that CCP12 could get the details of speakers lined up for IOMA meeting. It can then be possible to get them to speak in CCP12 meeting. It was then decided that MZ will get in touch with WFE to get the details about speakers.

SR informed that he has written to Mr. Balchambers of FOA indicating CCP 12 willingness to join Cross Border Regulatory Forum. RC suggested that given the reach of LCH across continents, they have significant concern in the matter.

There was discussion around CPSS-IOSCO's publishing comments on proposed disclosure requirements. Detailed disclosure requirements on stress testing results, CCP investment activity etc. were cited as concern. It was felt that disclosure of details of the risk models are being utilized by some sophisticated members to optimize their trade portfolio and to the system, this could prove risky. It was understood that CPSS-IOSCO was working on final report and there was a suggestion that CCP12 can still submit their point of view. **SR**

informed that CCP-12 had earlier responded to the consultation. It was agreed that MZ could circulate a note amongst members on critical issues in next few days and then a communication can be addressed to the CPSS-IOSCO on points agreed upon by all.

SR informed that Shanghai Clearing house has indicated their intention to host the next SGM which EXCO agreed in its last teleconference (of Dec '13). They were now asking for a date to be decided in advance so that they can invite Governor of Central Bank. September 25th and 26th were suggested by the Shanghai Clearing house. As SIBOS is scheduled in next week with a gap of few days, EXCO unanimously agreed to the proposed date. In regard to extending the conference to 2 days, it was felt that the 2nd day could be kept light with the possibility of an internal workshop on various key issues.

SR informed that Mr Gary Anderson (GA), CEO of Dubai Exchange offered DGCX's help to have CCP12 register in Dubai and then open a bank account in the name of CCP12. **PJ** indicated that the tax implications of subscriptions should be taken into account before taking a decision. **SR** suggested that GA may be requested to make a presentation on the topic during Moscow AGM for members to take a final decision. It was felt that opening an account in Dubai should not lead to operating an office in Dubai with incidental cost and other implication. **SR** informed that it could be couple of years before a secretariat office may be needed for CCP12. EXCO accorded in principle agreement to register the association in Dubai and agreed to further explore the idea.

SR informed that he was in contact with LJP to get the administrator right for the website. He also sought ideas to improve the website. **MZ** suggested that one of the EXCO members could take up the responsibility of updating the website. **GG** agreed to do so with the help of their internal website team. **SR** also informed that the member details need updation. He agreed to communicate to the members for updating details of the participants and indicated that website could be used for members to continuously update the basic data in respect of their establishment.

SR asked the participants for their suggestion if the timings for the con call could be adjusted to benefit the people from the other side of the world. He requested for the views of the members on this.

The meeting ended with **SR** thanking all the participants.
