

Alternative Reference Rates Committee (ARRC)

Minutes for the August 5, 2020¹ Meeting

The ARRC Chair welcomed everyone and thanked them for their continued active participation during these unprecedented times and encouraged everyone to continue their engagement and interaction during the virtual meetings. Members were informed that Items #4 and #5 on the agenda included discussions related to Requests for Proposals (RFPs) for the spread adjustment publication and the term rate publication and that any member that intended to respond to either of the RFPs, or that has an affiliate that intended to respond to an RFP, must recuse themselves for this discussion. Those who do not recuse themselves would not be eligible to submit a proposal in response to the RFPs or to have an affiliate submit a proposal. To wrap up the administrative items, an ARRC member provided an update on the recent European discounting switch from the clearing house perspective. A brief discussion followed with respect to next steps in anticipation for the US discounting switch scheduled for October.

Brunswick provided an update on the [SOFR Summer series](#), a webinar series hosted and designed by the ARRC to educate the public on the history of LIBOR; the development and strengths of the SOFR; progress made in the transition away from LIBOR to date; and how to ensure organizations are ready for the end of LIBOR. The sessions were well attended and well received by participants and members of the press. ARRC members were reminded that presentations and recordings are available on the [ARRC website](#). Brunswick also announced a publication date for a [SOFR Starter Kit](#), a set of factsheets to inform the public about the recommended transition away from U.S. dollar LIBOR to SOFR.

An update was provided on recent ISDA work to implement fallbacks for derivatives, touching upon recent ISDA announcements and publications related to the IBOR Fallbacks Protocol including the [July 29 announcement](#) and [ISDA's July 22nd letter](#) followed by discussion on how the ARRC can help highlight the recent ISDA developments in order to reflect its strong support of the protocol, and to encourage market participants to adhere to the protocol at the earliest opportunity to support the inclusion of fallbacks to SOFR in legacy USD LIBOR derivatives contracts (as well as fallbacks to other RFRs in derivatives contracts referencing other IBORs). Subsequent to the meeting, the ARRC Chair sent a [letter](#) to ARRC members recommending that they be prepared to sign onto the ISDA [IBOR Fallbacks Protocol](#).

At the continuation of the meeting on August 14, the ARRC discussed a potential update to its recommended Best Practices in anticipation of ISDA's upcoming [IBOR Fallbacks Protocol](#). While the ARRC's Best Practices have always recommended adoption of the Protocol, the update recommended that a subset of derivatives market participants adhere to the Protocol as promptly as possible. The update to the [Best Practices](#) was broadly supported and published on August 19.

The ARRC Chair then reminded members intending to respond to either of the RFPs, or with an affiliate that intended to respond to an RFP, to recuse themselves as the discussion transitioned to the launch of the RFP processes in connection with the [2020 Objectives](#) related to selecting: 1) an administrator of an ARRC-recommended forward looking SOFR term rate, and 2) an administrator to publish the ARRC's

¹ Note that given time constraints, a subsequent ARRC call was scheduled for August 14, 2020 from 11:00 AM – 12:00 PM to continue this meeting with further discussion of items #3, #4 and #5 on the agenda (the ISDA Protocol Update, Spread Adjustment RFP Process Update and Term Rate RFP Process Updates).

recommended spread adjustments and spread-adjusted rates. Members were encouraged to provide feedback on the latest drafts of the RFPs. The [spread adjustment RFP](#) was subsequently published on the ARRC website.

In closing, the ARRC Chair noted that the next meeting will be held September 9th via Webex and that he appreciates everyone's diligence as we continue to move forward with the transition.

Attendance at the August 5, 2020 Meeting*

ARRC Members

American Bankers Association	Hu Benton
Association for Financial Professionals	Thomas Hunt
AXA	Julien Zusslin
Bank of America	Greg Todd
Bank of America	Sonali Theisen
BlackRock	Jack Hattem
Citigroup	Dina Faenson
Citigroup	Jeannine Hyman
Comerica	Dave Shipka
CME Group	Agha Mirza
CRE Finance Council	Raj Aidasani
CRE Finance Council	Lisa Pendergrast
Deutsche Bank	Adam Eames*
Deutsche Bank	Nader Jarun
Fannie Mae	Bob Ives
Fannie Mae	Wells Engledow
Federal Home Loan Bank	Kyle Lynch
Federal Home Loan Bank	Phil Scott
Federal Home Loan Bank of New York	Rei Shinozuka*
Freddie Mac	Ameez Nanjee
Freddie Mac	Michelle Thomas
GE Capital	Fred Robustelli
Goldman Sachs	Gigi Chavez de Arnavat
Goldman Sachs	Guillaume Helie
Goldman Sachs	Jason Granet
Government Finance Officers Association	Emily Brock
Government Finance Officers Association	Pat McCoy
HSBC	Blair Selber
Huntington Bank	Beth Russell
Intercontinental Exchange	Chris Edmonds
Intercontinental Exchange	Harvey Flax*
International Swaps and Derivatives Association	Ann Battle
JP Morgan Chase & Co.	Alice Wang*
JP Morgan Chase & Co.	Emilio Jimenez*
JP Morgan Chase & Co.	Perry Elbadrawi*
KKR	Tal Reback
LCH	Phil Whitehurst
Loan Syndications and Trading Association	Meredith Coffey*
MetLife	Kevin Budd
MetLife	Joe Demetrick
Morgan Stanley	Maria Douvas
Morgan Stanley	Matt Ochs*
Morgan Stanley	Paige Mandy*

Morgan Stanley	Tom Wipf
National Association of Corporate Treasurers	Tom Deas
PIMCO	Scott Goodman
PIMCO	Andrei Wagner
PNC	Andrew Wilson
Prudential Financial	Chris McAlister
Prudential Financial	Gary Horbacz*
Securities Industry and Financial Markets Association	Chris Killian
Securities Industry and Financial Markets Association	Rob Toomey*
Structured Finance Association	Jen Earyes
Structured Finance Association	Kristi Leo
TD Bank	Greg Moore
TD Bank	Priya Misra
Wells Fargo	Alexis Pederson
Wells Fargo	Brian Grabenstein
World Bank Group	Don Sinclair

Ex-Officio ARRC Members

Commodity Futures Trading Commission	Sayee Srinivasan
Consumer Financial Protection Bureau	Abhishek Agarwal
Federal Deposit Insurance Corporation	Irina Leonova
Federal Housing Finance Agency	Dan Coates
Federal Reserve Bank of New York	Betsy Bourassa
Federal Reserve Bank of New York	Jamie Pfeifer
Federal Reserve Bank of New York	Justine Hansen
Federal Reserve Bank of New York	Nate Wuerffel
Federal Reserve Bank of New York	Raymond Check
Federal Reserve Bank of New York	Scott Nagel
Federal Reserve Bank of New York	William Riordan
Federal Reserve Board of Governors	David Bowman
Federal Reserve Board of Governors	Evan Winerman
Federal Reserve Board of Governors	Jeffrey Huther
National Association of Insurance Commissioners	Eric Kolchinsky
Office of Financial Research	Robert "Jay" Kahn
Office of Financial Research	Matt McCormick*
Office of the Comptroller of the Currency	Kevin Walsh
U.S. Department of Housing and Urban Development	Jose Fernandez
U.S. Securities and Exchange Commission	David Metzman
U.S. Securities and Exchange Commission	Jason Leung
U.S. Securities and Exchange Commission	Michelle Danis
U.S. Securities and Exchange Commission	Tamara Brightwell
U.S. Treasury	Peter Phelan
U.S. Treasury	Chloe Cabot

Observers

Bank of Canada	Sheryl King
BNP Paribas	Simon Winn

Boston Consulting Group
Brunswick
Brunswick
Brunswick
Brunswick
Cadwalader
Cadwalader
Deloitte
Ernst & Young
Morgan Lewis
Oliver Wyman

Roy Choudhury
Pauline Blondiaux*
Casey Gunkel
Elizabeth Lilly
Jeanmarie McFadden
Jason Halper
Lary Stromfeld
Alexey Surkov
Marc Saidenberg
Jon Roellke
Adam Schneider

*This meeting was held via WebEx; asterisk indicates participation by dial-in.

Attendance at the August 14, 2020 Continuation of August 5 Meeting*

ARRC Members

American Bankers Association	Hu Benton
Association for Financial Professionals	Thomas Hunt
AXA	Julien Zusslin
Bank of America	Greg Todd*
BlackRock	Jack Hattem
BlackRock	Alex Krol
Citigroup	Dina Faenson
Citigroup	Jeannine Hyman
Comerica	Dave Shipka
CME Group	Agha Mirza
CRE Finance Council	Raj Aidasani
CRE Finance Council	Sai rah Burki
CRE Finance Council	Lisa Pendergrast
Deutsche Bank	Adam Eames
Fannie Mae	Bob Ives
Fannie Mae	Wells Engledow
Federal Home Loan Bank	Phil Scott
Federal Home Loan Bank of New York	Rei Shinozuka
Ford	Jason Behnke
Freddie Mac	Michelle Thomas
Freddie Mac	Guim Barbour
GE Capital	Michael Taets
Goldman Sachs	Gigi Chavez de Arnavat
Goldman Sachs	Guillaume Helie
Goldman Sachs	Jason Granet
Government Finance Officers Association	Emily Brock
Government Finance Officers Association	Pat McCoy
HSBC	Shirley Hapangama
HSBC	Blair Selber
Huntington Bank	Beth Russell
Independent Community Bankers of America	Chris Cole
Intercontinental Exchange	Harvey Flax
International Swaps and Derivatives Association	Ann Battle
JP Morgan Chase & Co.	Alice Wang
JP Morgan Chase & Co.	Emilio Jimenez
JP Morgan Chase & Co.	Perry Elbadrawi
KKR	Tal Reback
LCH	Phil Whitehurst
Loan Syndications and Trading Association	Meredith Coffey
Loan Syndications and Trading Association	Tess Virmani
MetLife	Kevin Budd
MetLife	Joe Demetrick
MetLife	Alex Strickler

Morgan Stanley	Matt Ochs*
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Morgan Stanley	Tom Wipf
National Association of Corporate Treasurers	Tom Deas
PIMCO	Scott Goodman
PNC	Andrew Wilson
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Federal Housing Finance Agency	Dan Coates
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Federal Reserve Bank of New York	Cam Fuller
Federal Reserve Bank of New York	Jamie Pfeifer
Federal Reserve Bank of New York	Justine Hansen
Federal Reserve Bank of New York	Nate Wuerffel
Federal Reserve Bank of New York	Raymond Check
Federal Reserve Bank of New York	Michelle Tejada
Federal Reserve Bank of New York	William Riordan
Federal Reserve Board of Governors	David Bowman
Federal Reserve Board of Governors	Darren Gersh
Federal Reserve Board of Governors	Erik Heitfield
Federal Reserve Board of Governors	Evan Winerman
Federal Reserve Board of Governors	Jeffrey Huther
New York State Department of Financial Services	Steven Kluger
National Association of Insurance Commissioners	Eric Kolchinsky
Office of Financial Research	Ron Alquist
Office of Financial Research	Robert "Jay" Kahn
Office of Financial Research	Matt McCormick
Office of Financial Research	Sriram Rajan
Office of the Comptroller of the Currency	Kevin Walsh
U.S. Department of Housing and Urban Development	Jose Fernandez
U.S. Department of Housing and Urban Development	Alastair McFarlane
U.S. Department of Housing and Urban Development	Maria Chelo DeVenecia
U.S. Securities and Exchange Commission	David Metzman

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U.S. Treasury
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Jason Leung
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Cadwalader
Ernst & Young
Morgan Lewis
Oliver Wyman

Sheryl King
Simon Winn
Pauline Blondiaux
Casey Gunkel
Elizabeth Lilly
Jeanmarie McFadden
Will Rasmussen
Lary Stromfeld
Marc Saidenberg
Jon Roellke
Adam Schneider

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