

Alternative Reference Rates Committee (ARRC)

Minutes for the January 13, 2021 Meeting

The ARRC Chair welcomed participants to the virtual meeting. Federal Reserve staff and the ARRC Chair thanked Peter Phelan of the U.S. Department of Treasury for serving as an ex-officio member of the ARRC.

ARRC members ratified the ARRC's [Terms of Reference](#) and reaffirmed adherence to the [Antitrust Guidelines](#).

The ARRC Chair welcomed Alastair Hughes of the Bank of England who discussed the Working Group on Sterling Risk-Free Reference Rates' (the "Sterling Working Group") public consultation on the term SONIA reference rates. He provided context to the Sterling Working Group's [prevailing view](#), which is that direct use of overnight SONIA should become the norm in most derivatives, bonds, and bilateral and syndicated loan markets and highlighted the importance of maintaining a limited scope of use of the forward-looking term rate in cash markets.

The ARRC Chair then facilitated a group discussion focused on the ARRC's 2021 objectives. ARRC members discussed areas of work which they view as most critical in the year ahead including, but not limited to, legislative efforts, term rate scope of use and operational readiness for the LIBOR transition.

The Legal working group co-Chairs apprised the ARRC members that Governor Cuomo is expected to present FY 2022 New York State Executive Budget later this month and were hopeful that the ARRC's proposed legislation would be included in the budget.¹ Legal working group representatives also discussed the ARRC's proposed New York State legislation and a proposal for federal legislation under consideration by certain members of Congress.

The ARRC members discussed different technical details related to its recommendations for a consumer spread adjustment methodology. The final technical details of the ARRC's spread-adjustment proposals are expected to be released in the upcoming weeks.

Members who have recused themselves from the [Spread Adjustment RFP](#) work then dropped off the line ahead of an update on the RFP, including a discussion of the RFP evaluation group's impressions on the vendors who submitted proposals and answered questions by ARRC members. It was noted that a formal recommendation would be expected to be sent to ARRC members in order to support the ARRC in finalizing the vendor selection.

¹ Subsequent to the January 13, 2021 ARRC meeting, Governor Cuomo presented his Executive Budget which included the ARRC's proposed LIBOR legislation.

The ARRC Chair closed the meeting by thanking everyone and noting that the next ARRC meeting is scheduled to be held February 17th via Webex.

Attendance at the January 13, 2021 Meeting*

ARRC Members

AXA	Julien Zusslin
Bank of America	Sonali Theisen
Bank of America	Greg Todd*
Bank of America	Alex van Voorhees
BlackRock	Jack Hattem
Citigroup	Josie Evans
Citigroup	Tania Yue
CME Group	Agha Mirza
Comerica	Dave J Shipka
CRE Finance Council	Lisa Pendergast
CRE Finance Council	Raj Aidasani
CRE Finance Council	Sairah Burki
Deutsche Bank	Adam Eames
Deutsche Bank	Greg Coutu
Fannie Mae	Robert Ives
Fannie Mae	Wells Engledow
Federal Home Loan Bank	Kyle Lynch
Federal Home Loan Bank	Philip Scott
Federal Home Loan Bank	Rei Shinozuka
Ford	Jason Behnke
Ford	Nathan Herbert
Ford	Colleen Janosik
Freddie Mac	Ameez Nanjee
Freddie Mac	Guim Barbour
Freddie Mac	Michelle Thomas
GE Capital	Fred Robustelli
GE Capital	Michael Taets
Goldman Sachs	Guillaume Helie
Goldman Sachs	Jason Granet
Government Finance Officers Association	Emily Brock
HSBC	Blair Selber
HSBC	Shirley Hapangama
Huntington Bank	Beth Russell
Independent Community Bankers of America	Christopher Cole
Intercontinental Exchange	Harvey Flax
International Swaps and Derivatives Association	Phoebe Coutts
JP Morgan Chase & Co.	Vickie Alvo
JP Morgan Chase & Co.	Alice Wang
JP Morgan Chase & Co.	Andrew Gray
JP Morgan Chase & Co.	Emilio Jimenez

JP Morgan Chase & Co.
JP Morgan Chase & Co.
JP Morgan Chase & Co.
JP Morgan Chase & Co.
KKR
LCH
Loan Syndications and Trading Association
Loan Syndications and Trading Association
MetLife
MetLife
Morgan Stanley
Morgan Stanley
Morgan Stanley
Morgan Stanley
Morgan Stanley
National Association of Corporate Treasurers
PIMCO
PNC
PNC
Prudential Financial
Prudential Financial
Securities Industry and Financial Markets Association
Securities Industry and Financial Markets Association
Structured Finance Association
Structured Finance Association
TD Bank
TD Bank
U.S. Chamber of Commerce
U.S. Chamber of Commerce
Wells Fargo
Wells Fargo
World Bank Group

Keith Stephan
Perry Elbadrawi
Katie Morgan
Matt Simon
Tal Reback
Philip Whitehurst
Meredith Coffey
Tess Virmani
Alex Strickler
Joe Demetrick
Maria Douvas
Matt Ochs
Michelle Goldstein
Paige Mandy
Tom Wipf
Tom Deas
Courtney Garcia
Alex Spiro
Andrew Wilson
Chris McAlister
Gary Horbacz
Chris Killian
Rob Toomey
Jen Earyes
Kristi Leo
Greg Moore
Priya Misra
Kristen Malinconico
Tom Quadman
Alexis Pederson
Brian Grabenstein
Don Sinclair

Ex-Officio ARRC Members

Commodity Futures Trading Commission
Consumer Financial Protection Bureau
Federal Deposit Insurance Corporation
Federal Housing Finance Agency
Federal Reserve Bank of New York
Federal Reserve Bank of New York
Federal Reserve Bank of New York
Federal Reserve Bank of New York
Federal Reserve Bank of New York
Federal Reserve Bank of New York
Federal Reserve Bank of New York

Sayee Srinivasan
Abhishek Agarwal
Irina Leonova
Daniel E. Coates
Betsy Bourassa
Cam Fuller
Fatima Madhany
Irmak Ince
Jamie Pfeifer
Justin Epstein
Justine Hansen

Federal Reserve Bank of New York	Nate Wuerffel
Federal Reserve Bank of New York	Raymond Check
Federal Reserve Bank of New York	William Riordan
Federal Reserve Board of Governors	Darren Gersh
Federal Reserve Board of Governors	David Bowman
Federal Reserve Board of Governors	Erik Heitfield
Federal Reserve Board of Governors	Evan Winerman
Federal Reserve Board of Governors	Jeffrey Huther
National Association of Insurance Commissioners	Eric Kolchinsky
New York Department of Financial Services	Steven Kluger
Office of Financial Research	Robert "Jay" Kahn
Office of Financial Research	Ron Alquist
Office of Financial Research	Sriram Rajan
Office of the Comptroller of the Currency	Ang Middleton
Office of the Comptroller of the Currency	Kevin Walsh
U.S. Department of Housing and Urban Development	Maria Chelo DeVenecia
U.S. Department of Housing and Urban Development	Jose Fernandez
U.S. Department of Housing and Urban Development	Richard Perrelli
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. Treasury	Chloe Cabot
U.S. Treasury	Peter Phelan

Observers

Bank of Canada	Sheryl King
BNP Paribas	Simon Winn
Boston Consulting Group	Roy Choudhury
Brunswick	Pauline Blondiaux
Brunswick	Elizabeth Lilly
Brunswick	Jeanmarie McFadden
Cadwalade	Lary Stromfeld
Deloitte	Alexey Surkov
Ernst & Young	Daniel Scrafford
Morgan Lewis	Jon Roellke
MTA	Pat McCoy
Oliver Wyman	Adam Schneider
Venerable	Charles Schwartz

Speakers

Bank of England	Alastair Hughes
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*This meeting was held via WebEx; asterisk indicates participation by dial-in.