

**MEMO# 25924**

February 22, 2012

# Tri-Party Repo Task Force Issues Final Report

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TO: MONEY MARKET FUNDS ADVISORY COMMITTEE No. 14-12  
SEC RULES MEMBERS No. 17-12 RE: TRI-PARTY REPO TASK FORCE ISSUES FINAL REPORT

Last week, the Tri-Party Repo Infrastructure Reform Task Force, under the auspices of the Payments Risk Committee, a private sector body sponsored by the Federal Reserve Bank of New York, released its final report (“Report”), concluding the work of the Task Force in its current form. The report describes a desired “target state” for tri-party repo that updates the recommendations made by the Task Force in its May 17, 2010 report.

The Report states that as the Task Force worked to support implementation of its recommendations, it concluded that it will require more time and technical implementation than the Task Force originally estimated to facilitate the full implementation of the Task Force’s most important recommendation—the practical elimination of intraday credit associated with the settlement of tri-party repo transactions. The Report describes the Task Force’s target state vision for the benefit of all market participants, and the programs developed by the two clearing Banks—JPMorganChase and BNY Mellon—and the Fixed Income Clearing Corporation to achieve the target state vision. In addition, the Report summarizes the overall progress to date regarding the Task Force’s original recommendations.

For a copy of the Report, the May 2010 recommendations, as well as additional information about the Task Force and its work visit <http://www.newyorkfed.org/tripartyrepo>.

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