

EUROPEAN REPO COUNCIL

V.3.1 – FINAL
March 22, 2007

Minutes of the General meeting of the European Repo Council held on February 28, 2007 in Frankfurt

Location: InterContinental Hotel
Frankfurt, Germany
Time: 14.00 – 17.00 hrs

The following members of the European Repo Committee were present:

Mr. Eduard Cia, Bayerische Hypo-und Vereinsbank AG, Munich
Mr. Herminio Crespo, Caja de Madrid, Madrid
Mr. Greg Markouizos, Citigroup Global Markets Ltd, London
Mr. Jean-Marie Begonin, Credit Suisse Securities (Europe) Limited, London
Mr. Dominick Emmanuelli, Barclays Capital, London
Mr. Johan Evenepoel, Dexia Bank Belgium NV/SA, Brussels
Mr. Ulf Bacher, Dresdner Bank AG, Frankfurt
Mr. Olly Benkert, Goldman Sachs International, London
Mr. Godfried De Vidts (Chairman), ICAP Securities plc, London
Mr. David Roberts, Royal Bank of Scotland, London
Mr. Simon Tims, UBS AG, Zurich

Apologies:

Mr. Edward Donald, ABN AMRO Bank N.V., London branch
Mr. Andrea Masciovecchio, Banca Intesa S.p.A, Milan
Mr. Michael Murray, Confederacion Española de Cajas de Ahorros (CECA), Madrid
Mr. David Nicholls, Deutsche Bank AG, London
Mr. Stefano Bellani, JP Morgan Securities Ltd, London
Mr. Cameron Dunn, Merrill Lynch International (MLI), London
Mr. Edward McAleer, Morgan Stanley & Co. International Ltd, London
Mr. Simon Parkins, BNP Paribas, London

Also present:

Mr. Marc Bayle, ECB, Frankfurt
Mr. John Burke, LCH Clearnet, London
Mr. Richard Comotto, ICMA Centre, University of Reading, Reading
Mr. Olivier Grimonpont, Euroclear Bank, Brussels
Ms. Volinka Reina, SIFMA Europe/ESF, London
Mr. Pierre Slechten, Euroclear France, Paris
Mr. Michel Stubbe, ECB, Frankfurt
Mr. Jean-Robert Wilkin, Clearstream, Luxembourg
Mr. Rene Karsenti, ICMA, Zurich
Ms. Trish de Souza, ICMA, London
Mr. Christian Hellmund, ICMA, Zurich
Mr. Christian Krohn, ICMA London
Mr. Gael Tissier, ICMA, London
Mr. Gregor Pozniak, ICMA Ltd., London (Secretary)

The following member firms were represented at the meeting:

ABN AMRO Bank NV, Amsterdam
Banca d'Intermediazione Mobiliare IMI S.p.A., Milan
Banco Bilbao Vizcaya Argentaria, SA, (BBVA), Madrid
Banco Santander Central Hispano, S.A., Madrid
Banque et Caisse d'Epargne de l'Etat, Luxembourg
Barclays Capital Securities Ltd, London
Bayerische Hypo-und Vereinsbank AG, (HBV), Munich
Bayerische Landesbank, Munich
BNP Paribas, Paris
Caja de Madrid, Madrid
Citigroup Global Markets Limited, London
Commerzbank AG, Frankfurt
Confederacion Española de Cajas de Ahorros (CECA), Madrid
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank), London Branch
Credit Suisse Securities (Europe) Limited, London
Daiwa Securities SMBC Europe Limited, London
Danske Bank A/S, Copenhagen
Deutsche Bank AG, Frankfurt
Dexia Bank Belgium NV/SA, Brussels
Dresdner Bank AG, Frankfurt (Dresdner Kleinwort)
DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt
Fortis Bank, Brussels
GESMOSA-GBI VSA, Madrid
Goldman Sachs International, London
ICAP Securities Limited, London
ING Bank N.V., Amsterdam
JP Morgan Securities Ltd, London
KBC Bank NV, Brussels
Landesbank Baden-Wuerttemberg, Stuttgart
Man Financial Limited, London
Morgan Stanley & Co International Ltd, London
National Bank of Greece SA, Athens
Nomura International Plc, London
Royal Bank of Canada Europe Limited, London
Société Générale S.A., Paris
The Royal Bank of Scotland Plc, London
UBS AG, Zurich
WestLB AG, Dusseldorf

The following member firms were not represented at the meeting:

Aurel Leven Securities, Paris
Banca Caboto S.p.A., Milan
Banca Intesa S.p.A., Milan
Banca Monte dei Paschi di Siena S.p.A., Milan
Banca Nazionale del Lavoro S.p.A., Rome
Bank Julius Bär & Co. AG, Zurich
Bank Austria Creditanstalt AG, Vienna
Bear, Stearns International Limited, London
CALYON, Paris
Canadian Imperial Bank of Commerce (CIBC), London branch
HBOS Treasury Services plc, London

HSBC Bank Plc, London
HSBC France, Paris
ING Belgium SA/NV, Brussels
IXIS Corporate & Investment Bank, Paris
Kredietbank S.A. Luxembourgeoise, Luxembourg
Lehman Brothers International (Europe), London
Lloyds TSB Bank plc, London
Merrill Lynch International, London
Mitsubishi Securities International plc, London
Mizuho International PLC, London
MPS Finance Banca Mobiliare S.p.A., Siena
NIB Capital Bank N.V., The Hague
Raiffeisen Zentralbank Oesterreich AG, Vienna
UniCredit Banca Mobiliare S.p.A., Milan

1. **Opening of the meeting by the chairman of the European Repo Committee (ERC committee)**

The Chairman, Godfried De Vidts, first welcomes the Council members, observers and guests and thanks JPMorgan for kindly hosting the meeting. Later in the meeting, he also welcomes René Karsenti, Executive President of ICMA.

The Chairman underlines that the half-yearly General Meetings of the Council are designed to provide the repo and wider community with information about developments in the market. He informs the meeting that a further ICMA member has joined the European Repo Council which now consists of 63 member firms.¹

He updates the meeting on the work of the ERC Committee over the past half year and refers to several presentations on the agenda. In addition, he makes reference to the earlier decision by the ERC to accept all Government bond debt from Euro in-zone countries as constituents of the EuroGC baskets. As a consequence, Slovenian Government bonds and bills have been included in the ERC Council acceptable general collateral (GC) list with effect from January 1, 2007. The Chairman shows two slides which display the current composition of this list. His presentation is attached as **Annex 1**.²

2. **Approval of the minutes of the ERC general meeting held on October 4, 2006 and dated November 6, 2006**

The minutes of the ERC general meeting held in London on October 4, 2006 and dated November 6, 2006 are unanimously approved. They had been sent out to ERC members and are available from the ICMA website at www.icma-group.org/international1/minutes.html.

3. **Update on GMRA issues**

The Chairman asks Mr. Christian Hellmund of ICMA's legal department in Zurich to provide the meeting with the regular update on GMRA-related matters. Mr. Hellmund informs participants as follows:

2006/7 GMRA legal opinions updating exercise

ICMA is about to finalise the annual GMRA legal opinions update exercise for 2007. Consistent with the timetable in previous years, ICMA intends to publish the updated opinions on its website at the end of March /beginning of April 2007. Commencing this year, ICMA will, in addition to the clean versions of the updated opinions, publish blacklined versions of the updated opinions that track the amendments to the opinions (initial or updated) published in the immediately preceding year.

¹ The complete list of ERC members is on www.icma-group.org/international1/european.html.

² The list is also available from www.icmagroup.org/content/international1/repo_documentation.html.

New opinions

Revised drafts of new opinions for Slovakia, Slovenia and Croatia are currently being reviewed by ICMA. The opinions for these jurisdictions are expected to be published on ICMA's website as part of the 2007 GMRA legal opinions update exercise at the end of March / beginning of April 2007. With respect to Israel an initial draft opinion has been provided by local counsel and is currently being reviewed by ICMA's counsel.

ICMA is still in the process of establishing with local counsel whether clean opinions can be obtained for Dubai, Oman and Qatar. Subject to respective confirmations from local counsel and acceptable costs, ICMA will commission legal opinions on the GMRA for these jurisdictions.

Mr. Hellmund reports that at its last meeting, the ERC committee has concluded that there is sufficient market interest for an opinion for India and opinions for the remaining UAE jurisdictions (other than Abu Dhabi for which an opinion already exists and Dubai for which ICMA is currently establishing whether a clean legal opinion can be obtained). Subject to respective confirmations from local counsel and acceptable costs, ICMA will commission legal opinions on the GMRA for these jurisdictions. Finally, he reports that ERC committee is currently establishing whether there is sufficient market interest to obtain a legal opinion for Anguilla.

In relation to Malaysia, Romania and Russia ICMA is continuing to monitor legal developments with a view to ascertaining at what stage a clean opinion can reasonably be expected for each of these jurisdictions.

Mr. Hellmund's presentation giving the geographical overview of GMRA legal opinions is attached as Annex 2 to these minutes.

Russia

In response to a question by the Chairman about the legal situation in Russia with regard to repos, Mr. Hellmund explains that ICMA understands from local counsel that concerns remain regarding the risk of re-characterisation of repos as secured loans. In addition, there is a significant risk that arrangements for netting under a master agreement will not be upheld upon insolvency of a Russian counterparty as an attempt to circumvent the general prohibition of insolvency set-off under Russian bankruptcy laws. Russian bankruptcy laws are likely to apply and will override the governing law of the GMRA in bankruptcy proceedings. At this stage it is therefore not possible to obtain a clean legal opinion for Russia.

Combination of the legal opinions seeking/updating exercises conducted separately by ICMA in relation to the GMRA and by the SLRC netting subgroup and ISLA in relation to the various standard securities lending agreements

The discussions between ICMA, SIFMA, the SLRC netting subgroup and ISLA concerning a possible combination of the legal opinions seeking/updating exercises conducted separately by ICMA (jointly with SIFMA for some jurisdictions) in relation to the GMRA and by the SLRC netting subgroup and ISLA in relation to the various standard securities lending agreements (GMSLA, OSLA, GESLA) are progressing. The discussions between the abovementioned associations are ongoing.

(3.a.) ICMA Competition Law Guidelines

With the permission of the Chairman, Mr. Hellmund presents to the Council the new ICMA Competition Law Guidelines: Recognising the importance of compliance with all relevant competition laws in relation to ICMA activities, ICMA has – in collaboration with Freshfields Bruckhaus Deringer – developed a set of such guidelines. Their purpose is to help ICMA and its members to ensure, so far as possible, that in the context of discussions relating to organisational or market-related activities under the auspices of ICMA (including discussions held at general meetings, meetings of the ICMA board, councils, committees, sub-committees or of any other ICMA group, including ICMA staff) all those involved are aware of the relevant competition laws (primarily those of the European Union) and have received guidance on how to observe those laws in practice. He informs that the guidelines are available in the legal section of ICMA's website: https://www.icmagroup.org/content/legal1/icma_competition_law.html

4. Election to the European Repo Committee

The chairman introduces the following 24 candidates standing for election at the meeting to fill the 19 vacancies on the ERC committee.

Ulf Bacher	Dresdner Bank AG, Frankfurt
Tony Baldwin	Daiwa Securities SMBC Europe Ltd., London
Jean Marie Begonin	Credit Suisse Securities (Europe) Ltd.
Stefano Bellani	J. P. Morgan Securities Ltd., London
Olly Benkert	Goldman Sachs International, London
Sylvain Bojic	Société Générale S.A., Paris
Eduard Cia	Bayerische Hypo- und Vereinsbank AG, Munich
Herminio Crespo	Caja de Madrid, Madrid
Mark Dearlove	Barclays Capital Securities Ltd., London
Godfried De Vidts	ICAP Securities Ltd., London
Edward Donald	ABN AMRO Bank N.V., London branch
Cameron Dunn	Merrill Lynch International (MLI), London
Johan Evenepoel	Dexia Bank Belgium NV/SA, Brussels
Eric Lepore	Deutsche Bank AG, London branch
Grigorios Markouizos	Citigroup Global Markets Limited, London
Andrea Masciovecchio	Banca Intesa S.p.A., Milan
Ed McAleer	Morgan Stanley & Co International Ltd.
Dina Noëlle	Coop. Centr. Raiff.-Boerenleenbank (Rabobank), London branch
Simon Parkins	BNP Paribas, London branch
David Roberts	Royal Bank of Scotland, London
Michel Semaan	Nomura International plc, London
Luis Soutullo	Confederacion Española de Cajas de Ahorro, Madrid
Simon Tims	UBS AG, Zurich
Stefaan Van de Mosselaer	Fortis Bank, Brussels

Subsequently Mr. Pozniak explains the election procedure pursuant to ICMA rule 1014, and refers the Council to the detailed instructions on the ballot form, which had been sent to each Council member on February 14, 2007. He states that 38 member firms are represented at the meeting and that therefore the required quorum is present.

Thereafter, the ERC Council member representatives attending the meeting cast their votes by using the ballot form, which is again distributed at the meeting.

5. **ERC Recommendations**

The presentation by Mr. Cia (HVB) is attached as **Annex 3** to the minutes.

Mr. Pozniak adds that the two best practices presented by Mr. Cia are responses by the ERC Committee to questions from and uncertainties in the market. The best practice for the determination of rates for EONIA-based repos³ had in fact already been established in 2004/2005 but will only now be published on the ICMA website.

With regard to the clarification of the market practice for the calculation of interest in the case of floating-rate repos based on EONIA, Mr. Cia emphasises that the market practice now established by the ERC Committee (i.e. using the simple average) constitutes only one possibility for the calculation of such rates. Other methods (e.g. compound calculation) may always be agreed upon between parties and may be used, but should expressly be mentioned. He also says that the best practice as now published also recommends that the method applied be mentioned in the confirmation.

The ERC Council is requested to take note of the two best practices which have been published on the webpage

www.icmagroup.org/content/international1/repo_documentation.html.

6. **ERC Operations Group**

The Chairman conveys the apologies of Mr. Roger Moran (Credit Suisse) and Mr. Jonathan Bury (Goldman Sachs), Chair and Vice-Chair respectively of the ERC Operations Group. He undertakes to give an overview of the activities of this group that had been established in autumn 2006 and that has held three meetings since its foundation.

Interoperability between ICSDs

As the result of continuous discussions between the ICSDs and users, further improvements are continuously being made to the day-time bridge. An extension of the instruction deadline effective March 5, helps, but is only one small step. The Group sees a particular necessity to improve the "confirmation of settlement" timing between the two CSDs, even if full synchronisation may not be achievable.

Interoperability with a view to tri-party business

Following a meeting with Euroclear Bank, Clearstream Luxembourg, and LCH.Clearnet, Euroclear and LCH.Clearnet have sent response letters and CBL has done so only immediately before the ERC Council meeting. Representatives from the Group have had an "educational" meeting with Euroclear to discuss tri-party interoperability issues.

³ For further information see also the minutes of the ERC Council general meeting on March 17, 2005, which can be found on www.icmagroup.org/content/international1/minutes.html.

TARGET2-Securities

Mr. De Vidts mentions that the Chairman of the Operations Group, Mr. Moran, is a regular invitee to the ECB's tri-party discussions on the T2S project. The Operations Group shares the views generally expressed in the industry discussion, acknowledging that the T2S project could be a positive step towards harmonisation and removal of barriers in European cross-border settlement, but that key questions around scope, governance, and costs require further intense discussion to confirm this potential.

The Chairman refers to the presentation to be given later in the meeting by Mr. Bayle.

Euroclear business model

At the suggestion of Mr. Moran, the Group has agreed to analyse Euroclear's business model service description paper on "Securities financing and settlement windows". The Chairman of the Group is collecting comments from the firms represented in the Group

ICMA TRAX2 for repos

The Group had received a presentation and subsequent updates from ICMA on TRAX2 and has noted that six members are now live and active on TRAX2 Repo. The Group has also noted that costs (fees) for TRAX2 are currently being reviewed by the ICMA Board.

CESAME

The Group has received an update on the work of the European Commission's CESAME Group.

In this context, Mr. De Vidts mentions that the mandate of the CESAME Group will run out in mid-2008. He refers to the recent CESAME meeting on February 12⁴ where ICMA had also given a presentation of TRAX2 as a tool to address Barrier 6 (divergences on settlement cycles)⁵. Mr. De Vidts explains that cooperation on Barriers 4 and 7 continues with ECSDA and the EPDA (with these other organisations in the lead) as it does on the issues of T2S and the Code of Conduct for Clearing and Settlement.

Mr. de Vidts finally mentions that the Operations Group will meet again before the next meeting of the ERC Committee.

7. Sterling money market reform: experience of the first nine months

The planned presentation by Mr. Kieren Wright is not being held as Mr. Wright has left the Bank of England. However, a presentation will be scheduled for the next meeting of the ERC Council.

⁴ See ec.europa.eu/internal_market/financial-markets/clearing/cesame_en.htm.

⁵ See ec.europa.eu/internal_market/financial-markets/docs/cesame/giovannini/20070212-icma_en.pdf

8. Update on developments in the French settlement system

The presentation by Pierre Slechten, CEO, Euroclear France is attached as **Annex 4** to the minutes.

9. ABS/MBS pricing – an update from the European Securitisation Forum

The Chairman reminds the Council that there had been issues in the repo market with the use of asset-backed and mortgage-backed securities as collateral because reliable pricing of these securities on a daily basis is difficult. ESF has been working with information providers and statistics show that the market is starting to provide reliable and accessible pricing.

He reports that MARKIT claim to report daily prices on 4,750 securities (Febr 2007; even though prices do not change much over time), FT Interactive has had prices (Feb 2007) for 1,444 securities (974 RMBS, 104 CMBS, 366 ABS), and Bloomberg has priced some 7,000 of such securities in mid-December (although possibly not on a daily basis). Of these latter, just under 2,000 are AAA-rated, and over 1,000 have more than three prices.

10. ECB TARGET2-Securities project

Mr. Bayle, Deputy Head of the Market Infrastructure Division of the ECB gives an overview of the TARGET2-Securities project.⁶ Throughout his presentation, he refers extensively to the respective webpages of the ECB which can be found at www.ecb.int/paym/market/secmar/integr/html/index.en.html and recommends that Council members visit the pages to obtain information about the project.

He reports that two so-called “tri-party meetings” involving central banks, CSDs, and market participants have taken place in Frankfurt on December 19/20 and January 15.⁷ He refers to the respective conclusions of the recent ECOFIN meeting of Finance Ministers⁸ and to two letters with comments from ECSDA⁹ (the European Central Securities Depositories Association) and the ECSAs¹⁰ (the European Credit Sector Associations – EBF [Banks], ESBG [Savings Banks] and EACB [Cooperative Banks]).

Mr. Bayle emphasises that participation in T2S will not be compulsory for national CSDs and that therefore the Eurosystem has to deliver a product attractive enough for the market to have them on board. With regard to the expected further timeline, Mr. Bayle informs that the Governing Council of the ECB will probably make a decision on March 8¹¹ to continue work on the project on the basis of the full feasibility study which should be available by that time.

⁶ Mr. Bayle did not give a slide presentation. A recent detailed presentation by ECB Board member Mrs. Tumpel-Gugerell given at the CESAME meeting of February 12 can be found at ec.europa.eu/internal_market/financial-markets/docs/cesame/other/20070212-t2s_en.pdf

⁷ A third meeting has been scheduled for February 12., 2007.

⁸ www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ecofin/92972.pdf

⁹ www.ecb.int/paym/market/secmar/integr/pdf/T2SECSDAletter.pdf plus ECB response www.ecb.int/paym/market/secmar/integr/pdf/ECB-012.pdf.

¹⁰ www.esbg.eu/uploadedFiles/News/2007_02_26_final_press_release_Target_11.pdf

¹¹ See ECB Press Release www.ecb.int/press/pr/date/2007/html/pr070308_2.en.html

This decision should consist of preparation the User Requirements with the market through an intense consultation process. Only after this assessment, the project would proceed into its next phase: its implementation.

On the project governance, Mr. Bayle says that no final decision has yet been made. He refers to the responses to an ECB staff working paper which have also been put on the ECB website and in particular to the one produced by the ERC.¹²

Mr. Bayle concludes confirming that it remains the objective of the ECB to deliver cross-border settlement at a cost lower than the lowest cost for domestic settlement within the euro-zone which would of course be much lower than the lowest cost of cross-border settlement. He emphasises that a strong European market is paramount for the global competitiveness of Europe.

The Chairman thanks Mr. Bayle for his presentation and reminds him of the careful support that repo practitioners had expressed in the ERC's letter of autumn 2006, adding that the key questions around scope, governance, and costs require further intense discussion to confirm this potential.

11. Accepting credit claims for Eurosystem credit operations – main issues and first experience

The presentation by Michel Stubbe, Head of the Market Operations Analysis Division of the ECB, is attached as **Annex 5** to the minutes.

12. Results of the elections to the European Repo committee

Based on the ballot held, the Chairman announces the results of the elections to and the new composition of the ERC committee as follows:¹³

Ulf Bacher	Dresdner Bank AG, Frankfurt
Jean Marie Begonin	Credit Suisse Securities (Europe) Ltd.
Stefano Bellani	J. P. Morgan Securities Ltd., London
Olly Benkert	Goldman Sachs International, London
Eduard Cia	Bayerische Hypo- und Vereinsbank AG, Munich
Herminio Crespo	Caja de Madrid, Madrid
Mark Dearlove	Barclays Capital Securities Ltd., London
Godfried De Vidts	ICAP Securities Ltd., London
Edward Donald	ABN AMRO Bank N.V., London branch
Cameron Dunn	Merrill Lynch International (MLI), London
Johan Evenepoel	Dexia Bank Belgium NV/SA, Brussels
Eric Lepore	Deutsche Bank AG, London branch
Grigorios Markouizos	Citigroup Global Markets Limited, London
Andrea Masciovecchio	Banca Intesa S.p.A., Milan
Ed McAleer	Morgan Stanley & Co International Ltd.
Simon Parkins	BNP Paribas, London branch
David Roberts	Royal Bank of Scotland, London
Simon Tims	UBS AG, Zurich
Stefaan Van de Mosselaer	Fortis Bank, Brussels

¹² www.ecb.int/paym/market/secmar/integr/html/feedback.en.html

¹³ The composition of the ERC Committee can also be found on www.icma-group.org/content/international1/european0.html.

The term of office of each of the above ERC Committee members will expire at the Annual General Meeting of the ERC Council to be held in spring 2008.

The Chairman expresses his thanks to all candidates. He also thanks the outgoing members of the Committee, Messrs. Dominick Emmanuelli, Michael Murray, and David Nicholls, for their tangible contribution to the work of the ERC Committee.

13. Election of a nominee for appointment by ICMA's Board as member of the IRC Committee

In relation to the IRC Committee, Mr. Pozniak reports that the term of office of Mr. Ulf Bacher as member and vice-chairman of the IRC Committee has expired today. Therefore, the ERC Council has to determine a nominee for appointment by ICMA's board as one of the two ERC Council representatives¹⁴ on and vice-chairman of the IRC Committee. The term of office of this appointment would end at the ERC Council's annual general meeting in 2010.

The ERC Council notes that in its meeting held on October 4, 2006, it has re-nominated Mr. Godfried De Vidts as a member of the IRC Committee. Subsequently, in its meeting on November 24, 2006, the ICMA Board has unanimously appointed Mr. De Vidts as one of the two ERC Council representatives on and chairman of the IRC Committee. His term of office will end at the ERC Council's Annual General Meeting in 2009.

In its meeting of September 13, 2006, the ERC Committee has unanimously resolved to propose to the ERC Council to re-elect Mr. Ulf Bacher as nominee for appointment by the ICMA Board as one of the two ERC Council representatives on and vice chairman of the IRC Committee, should Mr. Bacher be re-elected into the ERC Committee. Mr. Bacher has accepted to stand for re-election.

Mr. Pozniak asks whether there are any further qualifying individuals¹⁵ who would wish to stand for the election to fill the vacancy on the IRC Committee. This not being the case, Mr. Pozniak proposes to conduct the election by show of hands. This procedural proposal is not being objected.

By sign of hands, the ERC Council (with Mr. Bacher abstaining on behalf of his employer) then determines Mr. Ulf Bacher without opposition as nominee for appointment by the ICMA Board as one of the two ERC Council representatives on and vice chairman of the IRC Committee.

Mr. Pozniak undertakes to inform the ICMA Board accordingly.

Finally, the ERC Council notes that – subject to Mr. Bacher's respective appointment by the ICMA Board – the IRC Committee will be composed of the following two individuals:

¹⁴ see ICMA Rule 1012.2

¹⁵ meeting the criteria set forth in ICMA Rule 1013.3, i.e. persons who are presently employed by a member of the ERC Council

- Mr. Godfried De Vidts (Chairman), ICAP Securities plc, London, with a term of office to expire at the ERC Council's Annual General Meeting in 2009;
- Mr. Ulf Bacher (Vice-Chairman), Dresdner Bank AG, Frankfurt/M, with a term of office to expire at the ERC Council's Annual General Meeting in 2010.

14. Results of 12th repo survey

The presentation by Mr. Comotto (ICMA Centre at the University of Reading) is attached as **Annex 6** to the minutes.¹⁶

In his introduction, the Chairman reminds delegates that the quality of the survey and its representative character depend crucially on the level of participation by participants in the market. Mr. Comotto calls those ERC members that are not participating yet to join the exercise and asks delegates at the meeting to discuss the question of participation within their respective firms. He adds that participants in the survey have the additional benefit of getting access to the ranking results which are otherwise not available to the public.

The press release that accompanied the publication of the repo survey is attached as **Annex 7** to the minutes.¹⁷

15. Any other presentations

There are no other presentations.

16. Updates on product delivery

LCH.Clearnet (John Burke)	Product and development update
Euroclear (Olivier Grimonpont)	(i) Improved Interoperability between ICSDs (ii) Collateral re-use service.
Clearstream (Jean-Robert Wilkin)	Tri-party GC baskets & Re-use

The three presentations are attached to these minutes as **Annexes 8 through 10**.

17.

¹⁶ The survey is available from [www.icma-group.org/content/surveys/repo/latest.Par.0021.ParDownloadFile.tmp/ICMA European repo market survey no 12 December 2006.pdf](http://www.icma-group.org/content/surveys/repo/latest.Par.0021.ParDownloadFile.tmp/ICMA%20European%20repo%20market%20survey%20no%2012%20December%202006.pdf)

¹⁷ The press release is also available on [www.icma-group.org/news1/press.Par.0091.ParDownloadFile.tmp/ICMA0709 - Latest ICMA survey shows strong growth in European repo market over 2006 \(2\).pdf](http://www.icma-group.org/news1/press.Par.0091.ParDownloadFile.tmp/ICMA0709%20-%20Latest%20ICMA%20survey%20shows%20strong%20growth%20in%20European%20repo%20market%20over%202006%20(2).pdf)

Next meetings

The chairman announces the following forthcoming meetings and events:

23-24 May 2007, **Professional Repo Seminar**, Moscow, Russia

(The brochure and the syllabus for this seminar are attached to these minutes as **Annex 11**.)

19 September, **European Repo Council General Meeting**, Luxembourg

Hosted by Clearstream Luxembourg

Autumn 2007, Professional Repo Seminar, Mumbai, India

Autumn 2008, Professional Repo Seminar, Belgium

Hosted by Dexia Bank


On behalf of Mr. René Karsenti, Executive President of ICMA, he invites all delegates to the 39th Annual General Meeting and Conference which will be held in Berlin on May 30 and June 1, 2007.¹⁸

18. Any other business

The Chairman extended his thanks to all attendants, to the speakers, and to JPMorgan for hosting the event. He closes the meeting.

The Chairman:

The Secretary:



Godfried De Vidts

Gregor Pozniak

Attachments (see also www.icma-group.org/content/international1/minutes.html)

¹⁸ For further information visit www.icma-group.org/agm2007.html.