



Benefits Briefing Webinar:

Impact of Basel Capital Requirements on Pension Plan Trading Thursday, December 18, 11:00 a.m. - noon ET

BENEFITS BRIEFING: Impact of Basel Capital Requirements on Pension Plan Trading

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The American Benefits Council will host a **Benefits Briefing technical webinar** on **Thursday, December 18 at 11:00 a.m. Eastern Time** regarding how the new Basel III capital requirements and new US uncleared swaps margin rules may negatively impact pension and other employee benefit plans when trading futures and over-the-counter (OTC) derivatives. Institutions subject to Basel III capital requirements, as implemented by home country regulators, have capital charges relating to clients for which they clear futures and swaps. The amount of capital that must be held is a function of the economic and legal risks in the transactions.

Specifically, plans may be disadvantaged under Basel III and the uncleared swaps margin rules as a result of rules around whether a broker can terminate, net and account for margin held when computing capital and margin requirements for trades done with plans (legal netting ability). The unintended consequences of these rules may include cost and capacity implications for plans.

Panelists will discuss:

- What the Basel III framework is, including the requirement that futures and derivatives brokers hold capital based on the economic and legal risks associated with transactions.
- What the uncleared swaps margin is, and how questions about legal nettings can affect a broker's and a plan's margin requirements.
- Why legal certainty around the ability to "net" exposure is a critical component in determining capital charges and margin requirements, and why laws applicable to employee benefit plans have made it difficult to get legal certainty for transactions with plans.
- The practical impact that the Basel III capital rules and margin requirements could have on plans' continued ability to participate in the futures, cleared swap and OTC derivatives markets.
- Potential avenues to address the treatment of plans so that they are not disadvantaged relative to other futures and derivatives investors.

Lynn Dudley, senior vice president, global retirement and compensation policy, will moderate the webinar. She will be joined by **Ed Rosen**, **Seth Grosshandler** and **Arthur Kohn**, partners at Cleary Gottlieb Steen & Hamilton LLP and **Jack McCabe** (Co-head of Global Futures and Derivatives Clearing) and **Heather Shemilt** (Head of North American Pensions, Endowment and Foundation Solutions Group) from Goldman Sachs.

We will take questions from webinar participants throughout the session and answer as many as possible. Members are encouraged to [submit questions for the webinar in advance](#).

A recording of this session will be available by request.

NOTE: Participation in Council webinars may be used toward continuing education/renewal requirements for many professional accreditation programs, but only by means of self-certification. Descriptions of past programs are available by [clicking here](#). Please retain your registration confirmation for your verification records.

It is recommended that you connect to the call 5-10 minutes early, as the WebEx platform may take several minutes to load on your computer. Once you enter the meeting, you will automatically receive the audio broadcast of the meeting over your computer speakers, so you will not be required to call in. You will be able to ask questions of the presenters and panelists by typing your question into the Q&A panel.

For questions related to registration – If you have colleagues at your organization who would like to participate in this session, but do not regularly receive Council materials, please contact [Deanna Johnson](#), director, membership, or [Sondra Williams](#), Manager, Member & Staff Engagement, at (202) 289-6700.

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