

MEMORANDUM

TO: Public File – Notice of Proposed Rulemaking: Standardized Approach for Calculating the Exposure Amount of Derivative Contracts

FROM: Irina Leonova
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DATE: May 30, 2019

SUBJECT: May 1, 2019 Conference Call with Constellation Brands

Staff of the Federal Deposit Insurance Corporation (“FDIC”), the Office of the Comptroller of the Currency (“OCC”), and the Board of Governors of the Federal Reserve System (“Board”) (collectively, “agencies”) had a conference call with representatives from Constellation Brands on May 1, 2019 to discuss comments submitted by the organization on the interagency notice of proposed rulemaking that proposed to implement the standardized approach for counterparty credit risk to calculate the exposure amount of derivative contracts under the agencies’ regulatory capital rule (“NPR” or “proposal”). This NPR was published for comment in the Federal Register on December 17, 2018 (83 FR 64660).

The primary topic covered during the call was the comments submitted by the organization regarding the impact of the NPR on commercial end users, especially with respect to the capital treatment under the proposal involving derivative transactions between banking organizations and non-financial end-users.

Representative from Constellation Brands was: Alex Shneydman. Representatives from the FDIC included Irina Leonova, Peter Yen, James Haas, and Michael Phillips.