

MEMORANDUM

TO: Public File – Notice of Proposed Rulemaking:
Prohibitions and Restrictions on Proprietary Trading and
Certain Interests in, and Relationships with, Hedge Funds
and Private Equity Funds (RIN 3064-AD85)

FROM: Gregory S. Feder, Counsel, FDIC Legal Division

DATE: December 20, 2011

SUBJECT: Meeting with BNY Mellon, State Street, and Northern Trust (the Custody
Banks)

On December 19, 2011, staff from the FDIC's Division of Risk Management Supervision/Capital Markets (Bobby Bean, Associate Director; Karl Reitz, Senior Policy Analyst; and Michael Spencer, Senior Policy Analyst) and the Legal Division (Michael Phillips, Counsel; and Gregory Feder, Counsel) met with the representatives from BNY/Mellon (Victor R. Siclari, Senior Managing Counsel-Asset Management & Managing Director; and Heather Koenig, Global Regulatory Counsel), Northern Trust (James Roselle, Associate General Counsel; and Kelly Dibble, SVP - Director of Public Affairs and Government Relations), and State Street (Joseph Barry, SVP, US Regulatory, Industry, and Government Affairs; Stefan Gavell, EVP, Global Head, Regulatory, Industry and Government Affairs; Simon Zornoza, SVP and Senior Regulatory Counsel; and Suzanne Case, SVP, Securities, Banking and Treasury Management Services).

The agenda for the meeting involved certain provisions of the interagency notice of proposed rulemaking ("NPR") on section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Act"). This NPR was published in the *Federal Register* of November 7, 2011 (76 FR 68846). The agenda topics for this meeting, as requested by the representatives from the Custody Banks, were: (1) the definition of "covered fund"; (2) the impacts of the NPR's implementation of the Act's "Super 23A" provision; (3) the definition of a directed trustee arrangement; and (4) the application of the conformance period to "Super 23A" requirements.