

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: FDIC Staff

DATE: March 13, 2012

SUBJECT: Meeting with Representatives from the Securities Industry and Financial Markets Association (SIFMA)

On March 13, 2012, FDIC representatives participated in a meeting with representatives of the Securities Industry and Financial Markets Association (SIFMA). The SIFMA representatives presented their concerns regarding the potential impact of the Notice of Proposed Rulemaking (NPR) on the Volcker Rule, which would implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and clarified the various SIFMA comment letters provided in response to the NPR. Topics included the NPR's treatment of the statutory prohibition on proprietary trading by banking entities, the covered fund investment restrictions, and certain permitted activity exemptions such as the market making and the risk-mitigating hedging exemptions.

A list of attendees appears below.

FDIC:

Michael Krimminger, John Thomas, Bobby Bean, and Michael Phillips

SIFMA Representatives:

Carter McDowell (SIFMA), Robert Toomey (SIFMA), Paul Denninger (SIFMA), Robert Colby (Davis, Polk), and John Dugan (Covington & Burling).