

**Meeting between Federal Reserve Board Staff
and Representatives of Institute of International Bankers
February 23, 2011**

Participants: Kieran Fallon, Ann Misback, Jeremy Newell, Chris Paridon, and Mark Van der Weide (Federal Reserve Board)

Richard Coffman and Sally Miller (Institute of International Bankers); and Derrick Bush (Cleary Gottlieb Steen & Hamilton)

Summary: Staff of the Federal Reserve Board met with representatives of the Institute of International Bankers (the “IIB”) to discuss the proprietary trading and hedge fund and private equity fund prohibitions and restrictions of section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, also known as the “Volcker Rule.” The IIB provided Federal Reserve Board staff with a presentation on their views on the application of the Volcker Rule to the activities of foreign banks.

Among other matters discussed in the meeting were: the circumstances in which a foreign bank’s proprietary trading or hedge fund or private equity fund activities would be considered “solely outside of the United States” for purposes of certain exemptions contained in the Volcker Rule; the definition of a “resident of the United States” for similar purposes; the definition of an “ownership interest” in a hedge fund or private equity fund under the Volcker Rule as it relates to foreign banks; and the application of the Volcker Rule to a foreign bank’s minority investments in non-U.S. companies.