

**Meeting Between Federal Reserve Staff
And Representatives of JPMorgan Chase (“JPMC”)
September 14, 2010**

Participants: Mark Van Der Weide, Sean Campbell, Michael Hsu, Molly Mahar and Brian Knestout (Federal Reserve Board)

Kate Childress, Kathryn McCullough, Nina Shenker, John Wilmott, Richard Smith, Neila Radin and William Braverman (JPMC)

Summary: Federal Reserve Staff met with Representatives of JPMC to discuss the potential scope and application of the restrictions in section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”) on proprietary trading and relationships with hedge funds and private equity funds (“private funds”). Representatives of JPMC expressed concerns regarding: (1) negative impacts on competitiveness that could arise if the de minimis investment threshold by banking entities in hedge funds and private funds was established at more than 3 percent; (2) the appropriate scope of investment size limitations during the conformance period; (3) whether carried interest would count toward a banking entity’s investment size limitations under the regulations; (4) the impact of restrictions on investments in private funds on banking entity-affiliated pension funds; (5) the types of activities and investments that would qualify for extensions of time for illiquid fund conformance; and (6) the possible inclusion of current exceptions for certain transactions subject to sections 23A and 23B of the Federal Reserve Act. During this discussion, JPMC representatives also expressed their view that defining private funds in relation to sections 3(c)(1) and 3(c)(7) of the Investment Company Act of 1940 would result in an overly broad spectrum of funds impacted by the provisions of section 619 of the Dodd-Frank Act.