

**Meeting between Federal Reserve Board and Other Agency Staff  
and Representatives of the Japanese Government  
October 3, 2012**

**Participants:** Christopher Paridon and Anna Harrington (Federal Reserve Board staff); and staff of the United States Department of the Treasury, Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, Securities and Exchange Commission, and Commodity Futures Trading Commission

Hirokazu Kutsukake and Jun Mizuguchi (Japanese Financial Services Authority); Osamu Takamoto and Hiromi Yamaoka (Bank of Japan); and Akira Nomura and Mr. Ikuko Shirota (Ministry of Finance)

**Summary:** Staff of the Federal Reserve Board and other Federal agencies met with representatives of the Japanese Government to discuss the restrictions on proprietary trading and hedge fund and private equity fund activities under section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (also known as the “Volcker Rule”).

Among matters discussed in the meeting were the Japanese Government’s views regarding: the potential cross-border effects of the Volcker Rule, including extra-territorial application of the Volcker Rule; the scope of the proposed rule’s application of the statutory exemptions for foreign activities of foreign banking entities; potential application of the Volcker Rule to proprietary trading in obligations of the Japanese Government; and potential implications of section 716 of the Dodd-Frank Act for uninsured branches or agencies of foreign banks. Representatives of the Japanese Government reiterated their comments contained in their comment letter of December 2011.