

**Meeting between Federal Reserve Board Staff
and Representatives of the Securities Industry and Financial Markets Association
December 20, 2011**

Participants: Ken Bentsen, Paul Denninger and Robert Toomey (Securities Industry and Financial Markets Association (“SIFMA”)); Robert Colby (Davis Polk & Wardwell LLP)

Scott Alvarez, Felton Booker, Sean Campbell, Anna Harrington, Jeremy Newell, Jim O’Brien, and Christopher Paridon (Federal Reserve Board)

Summary: Staff of the Federal Reserve Board met with representatives of SIFMA 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 SIFMA’s views regarding: overall impressions of the interagency proposal to implement the Volcker Rule; the proposal’s implementation of the statutory exemption for market making-related activities, including possible chilling effects associated with metrics reporting; differences between possible impact of the proposal on the “buy side” as opposed to the “sell side”; the proposed definition of “covered fund”; and potential issues related to supervisory implementation of the proposal.