

**Meeting between Federal Reserve Board and Other Agency Staff
and Representatives of the Canadian Government
February 16, 2012**

Participants: Scott Alvarez, Jeremy Newell, Christopher Paridon and Mark Van der Weide (Federal Reserve Board); and other Federal Agency Staff

Timothy Lane (Bank of Canada); Wayne Foster and Jeremy Rudin (Department of Finance); Mark Zelmer (Office of the Superintendent of Financial Institutions); and Pascale Dugré-Sasseville (Embassy of Canada)

Summary: Staff of the Federal Reserve Board and other Federal agencies met with representatives of the Canadian 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 Canadian 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 Canadian Government, including potential impacts on market liquidity; and treatment of Canadian mutual funds under the proposed rule.

Representatives of the Canadian Government reiterated the comments contained in the comment letters from the Canadian Government of December 2011 and February 2012.