



DEPARTMENT OF THE TREASURY
Office of the Comptroller of the Currency
12 CFR Part 44
Docket No. OCC-2011-0014
RIN 1557-AD44

FEDERAL RESERVE SYSTEM
12 CFR Part 248
Docket No. 2011-1432
RIN 7100-AD 82

FEDERAL DEPOSIT INSURANCE CORPORATION
12 CFR Part 351
RIN 3064-AD85

U.S. SECURITIES AND EXCHANGE COMMISSION
17 CFR Part 255
Release No. 34-66057; File No. S7-41-11
RIN 3235-AL07

Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds

AGENCIES: Office of the Comptroller of the Currency, Treasury (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); and U.S. Securities and Exchange Commission (SEC).

ACTION: Proposed rule; extension of comment period.

SUMMARY: On November 7, 2011, the OCC, Board, FDIC, and SEC (collectively, the “Agencies”) published in the Federal Register a joint notice of proposed rulemaking for public comment to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) which contains certain prohibitions and restrictions on the ability of a banking entity and nonbank financial company supervised by the Board to engage in proprietary trading and have certain interests in, or relationships with, a hedge fund or private equity fund (“proposed rule”).

Due to the complexity of the issues involved and to facilitate coordination of the rulemaking among the responsible agencies as provided in section 619 of the Dodd-Frank Act, the Agencies have determined that an extension of the comment period until February 13, 2012 is appropriate. This action will allow interested persons additional time to analyze the proposed rules and prepare their comments.

DATES: Comments on the proposed rule must be received on or before February 13, 2012.

ADDRESSES: You may submit comments by any of the methods identified in the proposed rule.¹ Please submit your comments using only one method.

FOR FURTHER INFORMATION CONTACT:

OCC: Deborah Katz, Assistant Director, or Ursula Pfeil, Counsel, Legislative and Regulatory Activities Division, (202) 874-5090; Roman Goldstein, Senior Attorney, Securities and Corporate Practices Division, (202) 874-5210; Kurt Wilhelm, Director for Financial Markets Group, (202) 874-4660; Stephanie Boccio, Technical Expert for Asset Management Group, or Joel Miller, Group Leader for Asset Management Group, (202) 874-4660, Office of the Comptroller of the Currency, 250 E Street SW., Washington, DC 20219.

Board: Christopher M. Paridon, Counsel, Legal Division, (202) 452-3274; Sean D. Campbell, Deputy Associate Director, Division of Research and Statistics, (202) 452-3761; David Lynch, Manager, (202) 452-2081, or Jeremy R. Newell, Division of Bank Supervision and Regulation, (202) 452-3239, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551.

¹ See 76 FR 68846.

FDIC: Bobby R. Bean, Associate Director, Capital Markets (202) 898-6705, or Karl R. Reitz, Senior Capital Markets Specialist, (202) 898-6775, Division of Risk Management Supervision; Michael B. Phillips, Counsel, (202) 898-3581, or Gregory S. Feder, Counsel, (202) 898-8724, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429-0002.

SEC: Josephine Tao, Assistant Director, Elizabeth Sandoe, Senior Special Counsel, David Bloom, Branch Chief, or Angela Moudy, Attorney Advisor, Office of Trading Practices, Division of Trading and Markets, (202) 551-5720; Daniel S. Kahl, Assistant Director, Tram N. Nguyen, Branch Chief, Michael J. Spratt, Senior Counsel, Paul Schlichting, Senior Counsel, or Parisa Haghshenas, Law Clerk, Office of Investment Adviser Regulation, Division of Investment Management, (202) 551-6787, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

On November 7, 2011, the proposed rule was published in the Federal Register.² The proposed rule implements section 619 of the Dodd-Frank Act which added a new section 13 to the Bank Holding Company Act of 1956 (“BHC Act”) and contains certain prohibitions and restrictions on the ability of a banking entity and nonbank financial company supervised by the Board to engage in proprietary trading and have certain interests in, or relationships with, a hedge fund or private equity fund.

In recognition of the complexities of the issues involved and the variety of considerations involved in its impact and implementation, the Agencies requested that

² See id.

commenters respond to numerous questions. The proposed rule stated that the public comment period would close on January 13, 2012.³

The Agencies have received requests from the public for an extension of the comment period to allow for additional time for comments related to the provisions of the proposed rule.⁴ The Agencies believe that the additional period for comment will facilitate public comment on the provisions of the proposed rule and the questions posed by the Agencies, and coordination of the rulemaking among the responsible agencies as provided in section 619 of the Dodd-Frank Act. Therefore, the Agencies are extending the comment period for the proposed rule from January 13, 2012 to February 13, 2012.

³ See id.

⁴ See, e.g., comment letters to the Agencies from Center for Capital Markets Competitiveness of the U.S. Chamber of Commerce (November 17, 2011); American Bankers Association et al. (November 30, 2011); and Representative Neugebauer et al. (December 20, 2011).

[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF COMMENT PERIOD OF THE PROPOSED RULE IMPLEMENTING SECTION 619 OF THE DODD-FRANK ACT]

Date: December 22, 2011.

John Walsh
Acting Comptroller of the Currency.

BILLING CODE: 4810-33-P

[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF COMMENT PERIOD OF THE PROPOSED RULE IMPLEMENTING SECTION 619 OF THE DODD-FRANK ACT]

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary under delegated authority, December 23, 2011.

Jennifer J. Johnson,
Secretary of the Board.

BILLING CODE 6210-01-P

[THIS SIGNATURE PAGE RELATES TO THE AMENDED NOTICE OF PROPOSED RULEMAKING ENTITLED “PROHIBITIONS AND RESTRICTIONS ON PROPRIETARY TRADING AND CERTAIN INTERESTS IN, AND RELATIONSHIPS WITH HEDGE FUNDS AND PRIVATE EQUITY FUNDS”]

By delegated authority from the Board of Directors of the Federal Deposit Insurance Corporation.

FEDERAL DEPOSIT INSURANCE CORPORATION

Robert E. Feldman
Executive Secretary

BILLING CODE: 6714-10-P

[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF COMMENT PERIOD OF THE PROPOSED RULE IMPLEMENTING SECTION 619 OF THE DODD-FRANK ACT]

By the Securities and Exchange Commission.

Date: December 23, 2011

Kevin M. O'Neill
Deputy Secretary

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