
The Volcker Rule Handbook: A Detailed Look at the Final Rule Implementing Section 619 of the Dodd-Frank Act

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Three and a half years after passage of the Dodd-Frank Act, the much anticipated final Volcker Rule has been issued. On December 10, 2013, the federal banking regulators, the Securities and Exchange Commission ("SEC"), and the Commodity Futures Trading Commission ("CFTC") (collectively, the "Agencies") issued a final rule ("Final Rule") to implement Section 13 of the Bank Holding Company Act of 1956 ("BHCA"), which was added by Section 619 of the Dodd-Frank Act. Section 13 of the BHCA generally prohibits any "banking entity" from engaging in "proprietary trading" or from acquiring or retaining an "ownership interest" in or "sponsoring" a hedge fund or private equity fund. The Final Rule largely follows the structure of the rule the Agencies initially proposed, but also contains several important modifications.

The Final Rule will be effective on April 1, 2014. However, in a separate order, the Board extended until July 21, 2015 the period banking entities will have to conform their activities to the new requirements, although certain new reporting requirements will begin for the largest banking entities as early as July 2014. This memorandum discusses the Final Rule and how it has changed from the Proposal, and also identifies numerous interpretive issues the Final Rule raises for banking entities and other market participants. As banking entities continue to analyze the Final Rule, we expect additional interpretive issues to emerge.

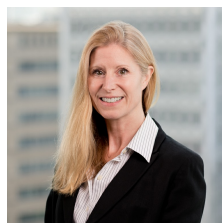
Read [The Volcker Rule Handbook: A Detailed Look at the Final Rule Implementing Section 619 of the Dodd-Frank Act](#).

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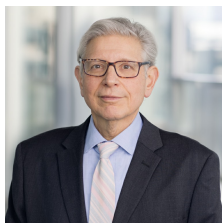
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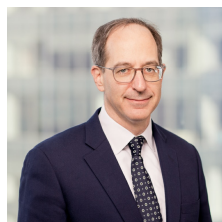


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