
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency**

For immediate release

July 17, 2019

**Federal Bank Regulatory Agencies Announce Coordination of Reviews for
Certain Foreign Funds Under Volcker Rule**

The Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency today announced that they will not take action related to restrictions under the Volcker Rule for certain foreign funds for an additional two years. The three federal banking regulatory agencies have consulted with the staffs of the Securities and Exchange Commission and the Commodity Futures Trading Commission regarding this matter.

The Volcker Rule generally restricts banking entities from engaging in proprietary trading and from owning, sponsoring, or having certain relationships with hedge funds or private equity funds, known as "covered funds."

Certain foreign funds that are organized and offered outside of the United States are excluded from the definition of covered fund under the agencies' implementing regulations. However, these foreign funds could become subject to restrictions under the Volcker Rule because of governance arrangements with or investment by foreign banking entities.

The three federal bank regulatory agencies had announced in [previous years](#) that they would provide similar treatment to these funds.

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Attachment:

[Statement regarding Treatment of Certain Foreign Funds under the Rules Implementing Section 13 of the Bank Holding Company Act](#)

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