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Joint Release

**Board of Governors of the Federal Reserve System  
Commodity Futures Trading Commission  
Federal Deposit Insurance Corporation  
Office of the Comptroller of the Currency  
Securities and Exchange Commission**

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For immediate release

July 9, 2019

**Agencies Adopt Final Rule to Exclude Community Banks from the Volcker Rule**

Five federal financial regulatory agencies announced on Tuesday that they adopted a final rule to exclude community banks from the Volcker Rule, consistent with the Economic Growth, Regulatory Relief, and Consumer Protection Act.

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. Under the final rule, which is unchanged from the proposal, community banks with \$10 billion or less in total consolidated assets and total trading assets and liabilities of 5 percent or less of total consolidated assets are excluded from the Volcker Rule.

The final rule also permits a hedge fund or private equity fund, under certain circumstances, to share the same name or a variation of the same name with an investment adviser as long as the adviser is not an insured depository institution, a company that controls an insured depository institution, or a bank holding company.

The final rule is being issued by the Federal Reserve Board, the Commodity Futures Trading Commission, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Securities and Exchange Commission.

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Attachments:

[Final Rule: Revisions to Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships with, Hedge Funds and Private Equity Funds.](#)

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