

MEMORANDUM

TO: File
FROM: Daniel Staroselsky
RE: Meeting with Credit Suisse
DATE: April 22, 2011

On April 20, 2011, staff from the Division of Trading and Markets, the Division of Risk, Strategy, and Financial Innovation, and the Office of Compliance Inspections and Examinations met with Tim O'Hara, Peter Norley, Lawrence Young, Michael Williams, and Monique Michel of Credit Suisse to discuss implementation of section 619 of the Dodd-Frank Act. A copy of the agenda for the meeting that was submitted by Credit Suisse is attached.

We would like to discuss our views on the applicability of specific metrics in measuring compliance with the Volcker Rule prop trading restrictions. We plan to address several specific metrics and their potential application to our fixed income and equity businesses. We also plan to address the following points at our meeting on Wednesday:

- Metrics should be part of a library of supervisory and compliance tools. They should not be used in a hard and fast manner but as a tool to trigger further inquiry.
- Regulators should have a heavy reliance on self-policing that is auditable and is sensitive to the differing aspects of particular asset classes.
- No single indicia should be exclusively relied upon in determining a bank's compliance with its supervisory regime. Instead, all of the approved indicia should be employed in combination to provide the most fulsome picture of an institutions operation.