

December 21, 2011

**By Electronic Mail**

Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551

Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20520

Office of the Comptroller of the Currency  
250 E Street, SW  
Washington, DC 20219

Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Dear Sirs/Madams:

**Re: Restrictions on Proprietary Trading and Certain Interests in, and Relationships with, Hedge Funds and Private Equity Funds – Request for Comment Deadline Extension - Federal Reserve Docket No. R-1432 and RIN 7100 AD 82; OCC Docket ID OCC-2011-14; FDIC RIN 3064-AD85; SEC File No. S7-41-11**

The Canadian Bankers Association (“CBA”) works on behalf of 53 domestic banks, foreign bank subsidiaries and foreign bank branches operating in Canada and their 267,000 employees. The CBA advocates for effective public policies that contribute to a sound, successful banking system that benefits Canadians and Canada’s economy. The CBA also promotes financial literacy to help Canadians make informed financial decisions and works with banks and law enforcement to help protect customers against financial crime and promote fraud awareness.

We are very concerned about the potential impact of the proposed U.S. rulemaking<sup>1</sup> implementing Section 619 of the *Dodd-Frank Wall Street Reform and Consumer Protection Act*,<sup>2</sup>

---

<sup>1</sup> 76 Fed. Reg. 68,846 (Nov. 7, 2011). In this letter, we refer to the Board of Governors of the Federal Reserve System, the Office of Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Securities and Exchange Commission collectively as the “Agencies”, the text of the proposed rules.

<sup>2</sup> Codified as new Section 13 of the Bank Holding Company Act of 1956.

commonly known as the "Volcker Rule."<sup>3</sup> The Volcker Rule will apply to the global activities of banking organizations that have banking operations in the United States, and all of their affiliates and subsidiaries worldwide. As a result, the Volcker Rule will apply to each Canadian banking organization with a branch, agency or bank subsidiary in the United States, and all of its affiliates and subsidiaries. The limited exemptions in the Volcker Rule, as currently proposed, would have a significant and negative impact on the liquidity of Canadian government and corporate debt, the competitiveness and efficiency of Canadian financial institutions and our financial markets, and the capacity of the Canadian regulators to supervise the Canadian banking entity. Our members are devoting significant efforts to understanding the proposal and working to generate thoughtful comments.

In addition, the Commodity Futures Trading Commission ("CFTC") has not yet published its notice of proposed rulemaking, and it is not clear at this point whether the CFTC proposal will align with the proposal released by the Agencies. Given that the Volcker Rule will have a significant impact on the futures and swaps markets regulated by the CFTC, we believe that it would be appropriate to allow banking entities and other stakeholders sufficient time to understand the impact of the proposed rules of all five agencies charged with implementing the Volcker Rule.

In light of the complexity of the issues posed by the Agencies' Volcker Rule proposal, and the fact that the CFTC proposal has not yet been published, we respectfully request an extension of the deadline for comments on the Volcker Rule regulations proposal to the later of 90 days after the current deadline of January 13<sup>th</sup> and 60 days after the CFTC releases its proposed regulations.

Yours truly,

A handwritten signature in black ink, appearing to read "M. Campbell", written in a cursive style.

---

<sup>3</sup> The Volcker Rule was issued by the U.S. Agencies.