

Corporate & Financial Weekly Digest

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OCC Proposes Rule Governing Retail Foreign Exchange Transactions

Co-authored by [Natalya S. Zelensky](#)

The Dodd-Frank Wall Street Reform and Consumer Protection Act amended the Commodity Exchange Act to provide that a U.S. financial institution for which there is a federal regulatory agency could not enter into retail foreign exchange (retail forex) transactions except pursuant to a rule or regulation of a federal regulatory agency allowing such transactions. The Office of the Comptroller of the Currency (OCC) has proposed a rule authorizing national banks, federal branches or agencies of foreign banks, and their operating subsidiaries (national banks) to engage in retail forex transactions. In addition, the proposed rule describes various requirements that national banks must comply with in order to engage in such transactions. The proposed rule is modeled on the Commodity Futures Trading Commission's retail forex rule in order to promote consistent treatment of retail forex transactions regardless of whether a retail forex customer's dealer is a national bank or a CFTC registrant. Comments on the OCC's proposed retail forex rule must be received by May 23.

Click [here](#) to read the OCC's proposal in the *Federal Register*.

Katten Muchin Rosenman LLP
Charlotte Chicago Irving London Los Angeles New York Washington, DC