

X. *The Finalized Volcker Rule*

A. Introduction

On July 21, 2010, President Barack Obama signed into law section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”), otherwise known as the “Volcker Rule,”¹ named after its proponent Paul Volcker.² The Volcker Rule amended the Bank Holding Company Act of 1956 (“BHC”) with the addition of section 13,³ which forbids a banking entity from participating in proprietary trading or owning a hedge fund.⁴

According to the financial regulators, academics, and politicians who support the directive, the purpose of the Volcker Rule’s ban against proprietary trading is to prevent high-risk activity and to decrease systemic risk.⁵ Since 2010, federal regulators have revised the Volcker Rule, generating at least 18,000 public comments as well as the participation of prominent financial institutions.⁶ On December 10, 2013, five federal agencies approved the finalized Volcker Rule, with an effective date of July 2015.⁷ However, as of this date, the finalized Volcker Rule has not been established in the Federal Register due to a number of pending issues raised by the financial community, the American Banking Association (“ABA”), and regulators.⁸

¹ Richard Burson, Development in Banking and Financial Law: 2010, *The Dodd-Frank Act Regulation of Proprietary Trading—The Volcker Rule*, 30 REV. BANKING & FIN. L. 13, 13 (2010).

² John Cassidy, *The Volcker Rule*, NEW YORKER, July 26, 2010, at 25, 25.

³ *Id.*

⁴ 12 U.S.C. § 1851(a)(1) (2012).

⁵ Burson, *supra* note 1.

⁶ Peter Coy, *The Volcker Rule Is Tough. It’s Complicated. Will It Be Effective?*, BUS. WK. (Dec. 12, 2013), <http://businessweek.com/articles/2013-12-11/the-volcker-rule-is-tough-dot-its-complicated-dot-will-it-be-effective>; Simone Pathe, *What is the Volcker Rule that Five Regulators Just Approved?*, PBS (Dec 10, 2013, 3:05 PM), <http://pbs.org/newshour/rundown/what-is-the-volcker-rule-that-five-regulators-just-approved>.

⁷ Press Release, Board of Governors of the Federal Reserve System, Agencies Issue Final Rules Implementing the Volcker Rule (Dec. 10, 2013).

⁸ See *The Volcker Rule: What It Is and Its Impact on Business*, METROPOLITAN CORP. COUNS. Feb. 2014, at 31, 31; Stephen Gandel, *Regulators Cave Quickly in First Volcker Rule Battle*, CNN MONEY (Jan. 6,

This development article examines the reactions to, and the future developments of, the finalized Volcker Rule. Part B focuses on the scope and purpose of the Volcker Rule. Part C examines the parameters and details of the finalized Volcker Rule. Part D highlights the reactions, both legal and institutional, to the finalized Volcker Rule. Part E explains the likely future developments of the finalized Volcker Rule. Finally, Part F concludes that, notwithstanding its immediate effects, much remains to be seen regarding the final impact of the Rule.

B. The Scope and Purpose of the Volcker Rule

The Volcker Rule came partly in response to concerns that proprietary trading was a major cause of the financial crisis in 2008⁹ and to crises such as JP Morgan's London Whale Trade incident.¹⁰ That is, Congress intended the Volcker Rule to address the "reckless risk-taking on the part of banking institutions using taxpayer guaranteed depositor funds,"¹¹ essentially outlawing proprietary trading.¹²

The Volcker Rule raises the threshold issue of defining proprietary trading.¹³ According to section 1851(h)(4), proprietary trading means:

[E]ngaging as a *principal* for the trading account of the banking entity . . . in any transaction to purchase or sell . . . any security, any derivative, any [commodity futures contract], any option on any security, derivative or contract, or any other security or financial instrument that the appropriate banking agencies, the Securities and Exchange ["SEC"] ,

2014, 1:19 PM), <http://finance.fortune.cnn.com/2014/01/06/regulators-fold-volcker>.

⁹ Burson, *supra* note 1, at 14 ("Some critics of Wall Street claimed proprietary trading was the 'key driving force' behind the crisis.")

¹⁰ Coy, *supra* note 6.

¹¹ Burson, *supra* note 1.

¹² Penny Crosman, *Volcker . . . Finally*, AM. BANKER (Dec. 10, 2013, 9:00 AM), <http://americanbanker.com/bankthink/volcker-finally-1064145-1.html>.

¹³ 12 U.S.C. § 1851(h)(4) (2012).

and the Commodity Futures Trading Commission [(“CTFC”)], may, by rule . . . determine.¹⁴

Section 1851(h)(6) further states that a trading account is an account utilized for the purchasing of securities “for the purpose of selling in the near term.”¹⁵ A banking entity includes any broker-dealer affiliate of the bank, the parent holding company, or its affiliates and subsidiaries, including a financial holding company.¹⁶

If proprietary trading has occurred, federal regulators determine whether a qualified exception exists under section 1851(d)(1).¹⁷ One exception is based on the type of security, as purchasing and selling obligations of the United States or any of its agencies, such as Fannie Mae and Freddie Mac, or state and municipal obligations are exempted.¹⁸ Other exceptions are based on the type of trading involved.¹⁹ These include market-making activities and underwriting securities, hedging activities, and the purchasing and selling securities on behalf of customers (i.e., brokerage).²⁰ However, these exceptions are not applicable when a “material conflict of interest, material exposure . . . to . . . high-risk assets . . . or strategies, or a threat to the safety and soundness of such banking entity or the financial stability of the United States” exists.²¹

C. The Finalized Volcker Rule

Since the inception of the Volcker Rule, U.S. financial regulators have worked to revise the rule to its present form, with

¹⁴ *Id.*

¹⁵ *Id.* § 1851(h)(6) (“The term ‘trading account’ means any account used for acquiring or taking positions in the securities and instruments described in paragraph (4) principally for the purpose of selling in the near term (or otherwise with the intent to resell in order to profit from short-term price movements), and any such other accounts as the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission may, by rule as provided in subsection (b)(2), determine.”).

¹⁶ *Id.* § 1851(h)(1).

¹⁷ *Id.* § 1851(d)(1).

¹⁸ *Id.* § 1851(d)(1)(A).

¹⁹ *Id.* § 1851(d)(1)(B)-(D).

²⁰ *Id.*

²¹ Burson, *supra* note 1, at 17 (internal quotations omitted).

bumps along the way, such as the incorrect draft offered by the CFTC.²² In comparison to the original Volcker Rule's thirty-seven words, the completed rule proves considerably more complicated: it is over "963 pages" long, with "2,826 footnotes" and "1,347 questions."²³ The Federal Reserve ("Fed"), the Federal Deposit Insurance Corporation ("FDIC"), the CFTC, the Office of the Comptroller of the Currency ("OCC"), and the SEC approved the rule on December 10, 2013.²⁴ According to the agencies, banks will have until July 21, 2015 to fully comply, with the option of extending the deadline to July 21, 2017 if the Fed elects to do so.²⁵

The finalized Volcker Rule, which prohibits "banking entities from engaging in . . . 'proprietary trading,'"²⁶ is both stricter and more lenient than the original section 619 and thirteen proposals.²⁷ The rule appears stricter in that it requires firms to pinpoint the precise risk they are attempting to hedge, and CEOs must confirm that their companies are not breaking the rule.²⁸ Conversely, the rule appears more lenient in that it does not prohibit "banks from buying securities unless they knew that their clients wanted to buy them."²⁹ Additionally, market-making activities and trading foreign sovereign debt are now less stringent.³⁰ As set forth

²² *The Volcker Rule: More Questions than Answers*, ECONOMIST (Dec. 14, 2013), <http://economist.com/news/finance-and-economics/21591587-push-make-americas-banks-safer-creates-new-uncertainties-more-questions>; Gina Chon, *CFTC Goes Its Own Way Over Volcker Rule*, FIN. TIMES (Nov. 23, 2013, 3:10 AM), <http://ft.com/intl/cms/s/0/e7d5f914-53e2-11e3-b425-00144feabdc0.html?siteedition=intl#axzz2qc85y4Pg>.

²³ *The Volcker Rule: More Questions than Answers*, *supra* note 22.

²⁴ Brian D. Christiansen et al., *The Volcker Rule: A First Look at Key Changes*, SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP 1 (Dec. 12, 2013),

http://skadden.com/sites/default/files/publications/The_Volcker_Rule_A_First_Look_at_Key_Changes.pdf.

²⁵ Press Release, *supra* note 7.

²⁶ *The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8.

²⁷ See Silla Brush, Cheyenne Hopkins & Jesse Hamilton, *Volcker Rule Ushers in Era of Increased Oversight of Trades*, BLOOMBERG (Dec. 10, 2013, 3:17 PM), <http://bloomberg.com/news/2013-12-10/volcker-rule-eases-market-making-while-hedges-face-new-scrutiny.html>.

²⁸ Stephen Gandel, *Volcker Loopholes: Here Are All The Crazy Trades Big Banks Can Still Make*, CNN MONEY (Dec. 10, 2013, 3:02 PM), <http://finance.fortune.cnn.com/2013/12/10/volcker-loopholes>.

²⁹ *The Volcker Rule: More Questions than Answers*, *supra* note 22.

³⁰ Brush, Hopkins & Hamilton, *supra* note 27.

below, other general differences include the definition of a “covered fund,” the treatment of foreign funds, and the narrowing of the covered fund exemptions.³¹

One clarification in the final Volcker Rule is the definition of a “covered fund.”³² A covered fund is “an investment company, as defined in the Investment Company Act of 1940 [(‘ICA’)], *but for* section 3(c)(1) or 3(c)(7).”³³ In other words, those institutions that either do not rely on section 3(c)(1) or 3(c)(7) of the ICA to fulfill an exemption or satisfy another exception from the definition of an “investment company” are not covered funds.³⁴ Consequently, the influence of the Volcker Rule is extremely far-reaching.³⁵

Another difference between the finalized rule and the original rule is that foreign funds caught by the definition of a

³¹ Roger P. Joseph et al., *Final Volcker Rule Regulations: Restrictions on Covered Fund Activities and Investment*, BINGHAM MCCUTCHEN LLP 1, 7–9 (Jan. 6, 2014), <https://bingham.com/Alerts/2014/01/~media/Files/Docs/2014/Covered-Funds.ashx>.

³² 12 U.S.C. § 1851(h)(2) (2012).

³³ *Id.* According to the ICA, “‘investment company’ means any issuer which . . . is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, or trading in securities; . . . is engaged or proposes to engage in the business of issuing face-amount certificates of the installment type, or has been engaged in such business and has any such certificate outstanding; or . . . is engaged or proposes to engage in the business of investing, reinvesting, owning, holding, or trading in securities, and owns or proposes to acquire investment securities having a value exceeding 40 per centum of the value of such issuer’s total assets (exclusive of Government securities and cash items) on an unconsolidated basis.” 15 U.S.C. § 80a-3(a)(1)(A)–(C). There are several exemptions to this definition. *See id.* § 80a-3(b)–(c) (listing exemptions). With respect to the exemptions to the ICA that do not permit an entity to escape from the Volcker Rule’s definition of a “covered fund,” section 3(c)(1) exempts those funds with under one-hundred investors, *id.* § 80a-3(c)(1), and section 3(c)(7) exempts those funds whose owners are “qualified purchasers,” *id.* § 80a-3(c)(7).

³⁴ *The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8.

³⁵ *See The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8 (“The result of this approach is that the universe of funds deemed to be ‘covered funds’ by the Volcker Rule is really much broader than just traditional hedge and private equity funds and captures most structured debt issuers, such as collateralized debt obligations (CDOs) and tender option bonds.”).

covered fund are constricted.³⁶ Foreign funds constitute covered funds only if they are controlled by the laws of the United States through the sponsorship of a U.S. banking entity.³⁷ The final rule also allows foreign governments and banks and foreign affiliates of U.S. banks “to trade in sovereign debt issued by the government under whose laws they are organized.”³⁸

Qualifications for exemptions also became clearer under the new rule.³⁹ Generally, wholly owned subsidiaries, foreign public funds, joint ventures between a banking entity and any of its affiliates, and business development companies are entities that are excluded under 3(c)(1) and 3(c)(7) of the ICA.⁴⁰ Certain public interest investments, loan securitizations, insurance company separate accounts, and foreign pension funds also remain excluded.⁴¹

D. Reactions to the Finalized Volcker Rule

The reactions to the finalized Volcker Rule have been mixed.⁴² Banks began reacting to the rule upon the passage of Dodd-

³⁶ Lori Richards, *The Volcker Rule Proposal and Asset Management Firms*, PRICEWATERHOUSECOOPERS LLP ASSET MGMT. INSIGHTS (Feb. 29, 2012), <http://pwc.com/gx/en/asset-management/asset-management-insights/volcker-rule-proposal.jhtml> (“While acknowledging the need to limit the extraterritorial impact of the Volcker Rule ‘covered fund’ prohibition, the conditions to the exemption in the proposed rule appear to be very narrow in scope and driven more by a desire to ensure competitive equity between US and foreign banks in the US, rather than by any focus on where the foreign covered fund is located.”).

³⁷ *Id.* (“The proposed rule permits foreign banking entities subject to the Volcker Rule to sponsor and invest in covered funds outside the US, subject to certain requirements.”).

³⁸ *The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8.

³⁹ *Id.*

⁴⁰ *Id.* (“The result of this approach is that the universe of funds deemed to be ‘covered funds’ by the Volcker Rule is really much broader . . .”).

⁴¹ Heater Cruz et al., *Entering A New Regulatory Era Under the Final Volcker Rule*, SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP 5 (Jan. 16, 2014),

http://skadden.com/sites/default/files/publications/Entering_a_New_Regulatory_Era_Under_the_Final_Volcker_Rule.pdf.

⁴² *See 10 Key Reactions to the Volcker Rule*, AM. BANKER, <http://americanbanker.com/gallery/ten-key-reactions-to-final-volcker-rule-1064170-1.html> (last updated Mar. 19, 2014).

Frank in 2010.⁴³ The preemptive action of banks includes “shut[ting] down their proprietary trading desks . . . [and] selling their hedge funds and private equity businesses.”⁴⁴

The Rule’s dissenters—especially within the SEC—have dominated the response of the five regulatory agencies in charge of finalizing the regulation.⁴⁵ For example, the SEC limited the time period for evaluation of the finalized rule to only five days, producing intense pressure to approve the rule and implement the enforcement process.⁴⁶ Generally, however, regulators have evidenced a willingness to embrace, with minor adjustments, the spirit of the rule.⁴⁷

Reactions by news outlets and banking institutions have been similarly mixed.⁴⁸ On the one hand, proponents of the rule hope it will “make banks’ money safer because they won’t be able to engage in proprietary trading.”⁴⁹ On the other hand, some fear it will restrict market-making activities, thereby adversely affecting the economy.⁵⁰ In response to this criticism, regulators argue that some freedom of choice remains with banks to discriminate between acceptable and unacceptable market-making activities.⁵¹ Another

⁴³ Clea Benson & Dave Michaels, *Banks’ World Under Dodd-Frank Takes Shape With Volcker Rule*, BLOOMBERG (Dec. 11, 2013, 12:43 PM), <http://bloomberg.com/news/2013-12-11/banking-under-dodd-frank-takes-shape-with-volcker-rule-approval.html>.

⁴⁴ Coy, *supra* note 6.

⁴⁵ *The Volcker Rule: More Questions than Answers*, *supra* note 22.

⁴⁶ *Id.*

⁴⁷ Rob Blackwell, *Volcker Rule Fix Will Aid Large and Small Banks*, AM. BANKER (Jan. 14, 2014, 5:38 PM), http://americanbanker.com/issues/179_10/volcker-rule-fix-will-aid-large-and-small-banks-1064926-1.html.

⁴⁸ Pathe, *supra* note 6 (explaining that proponents of the rule argue it will make the financial system safer, while critics argue it will impede market making activities responsible for energizing the economy).

⁴⁹ *Id.*

⁵⁰ *Id.* (“Some of the rule’s critics are afraid the rule will over-regulate and clamp down on legitimate ‘market-making’ that they say stimulates the economy.”).

⁵¹ Scott Patterson, *Everything You Want to Know About the Volcker Rule But Were Afraid to Ask*, WALL ST. J. (Dec. 9, 2013, 6:14 PM), <http://blogs.wsj.com/moneybeat/2013/12/09/everything-you-want-to-know-about-the-volcker-rule-but-were-afraid-to-ask> (“Regulators say the rule will give firms some discretion in deciding whether certain trades are permissible market-making—buying and selling securities on behalf

specific critique proffered by some news outlets has been that the elasticity of the compliance requirements provides an easy avenue of avoidance and the possible proliferation of related litigation.⁵² While reactions continue to develop, so will the understanding and appreciation of likely future consequences.⁵³

E. Likely Future Developments

The future developments and consequences of the finalized Volcker Rule are subject to speculation.⁵⁴ Challenges include the effect on private revenue generation, litigation over compliance issues, portfolio hedging, the separation between market making and proprietary trading, and the treatment of foreign banks.⁵⁵ Other issues arise from the mere complexity of the rule.⁵⁶ Even Paul Volcker, its original proponent, stated he would “write a much simpler bill.”⁵⁷

The finalized Volcker Rule has also resulted in an elevated participation of the legal profession both in the form of increased litigation and compliance advice.⁵⁸ The complexity of the finalized rule means that “to comply with all the new regulations aimed at preventing further financial crises, banks have already had to hire

clients.”); Silla Brush, *supra* note 27 (explaining that Banks conducts its own analysis).

⁵² Gina Chon, *Wall Street Faces Stricter Clampdown in Volcker Rule*, FIN. TIMES (Dec. 10, 2013, 3:10 AM), <http://ft.com/cms/s/0/d0be58fe-6187-11e3-b7f1-00144feabdc0.html#axzz2wRd39sHW>.

⁵³ See *The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8.

⁵⁴ See, e.g., *id.*

⁵⁵ See *id.*

⁵⁶ James B. Stewart, *Volcker Rule, Once Simple, Now Boggles*, N.Y. TIMES, Oct. 22, 2011, at B1 (“Wall Street firms have spent countless millions of dollars trying to water down the original Volcker proposal and have succeeded in inserting numerous exemptions. Now they’re claiming it’s too complex to understand and too costly to adopt.”).

⁵⁷ *Id.*

⁵⁸ Coy, *supra* note 6 (“The only people who seem truly happy with the final product are lawyers: Jones Day alone had 200 attorneys around the world reviewing the rule the week it came out. Compliance is expected to take 2.3 million hours of paperwork annually, according to government estimates.”).

lots of lawyers.”⁵⁹ The unknown effects of the rule also mean litigation will proliferate as unseen problems emerge.⁶⁰ The ABA lawsuit against the regulators objecting to the “requirement that banks shed certain collateralized debt obligations [(‘CDOs’)] made up of trust-preferred securities [(‘TruPs’)]” is an example of this.⁶¹

Additional issues will evolve as the Volcker Rule is implemented.⁶² The most recent issue arises from the Zions Bancorp (“Zions”) case.⁶³ When Zions bought TruPs CDOs, classified as a hedge fund under the Volcker Rule, a considerable amount of its investment was lost.⁶⁴ Soon after, the ABA took legal action to prevent the enforcement of the Volcker Rule, arguing that it penalized small banks that purchased TruPs CDOs.⁶⁵ Additionally, U.S. Senators Joe Manchin and Roger Wicker introduced legislation to address the TruPs CDOs issue.⁶⁶ As a result of the lawsuit and legislation, federal regulators created an exemption for CDOs.⁶⁷ However, the reactions to the change have been mixed, and some argue the original ban of TruPs CDOs was not negative.⁶⁸ Other banks have alleged that the recent change to the rule “failed to shield [small and mid-sized banks] from financial hits.”⁶⁹ However, the ABA has since dropped its lawsuit.⁷⁰

⁵⁹ *The Volcker Rule: Hedge Trimming*, ECONOMIST (Dec. 14, 2013), <http://economist.com/news/leaders/21591594-new-regulation-aims-para-risks-financial-system-likely-have-opposite>.

⁶⁰ *The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8.

⁶¹ Sarah Todd, *Regulators Get Extra Time to Reply to ABA’s Volcker Suit*, AM. BANKER (Dec. 26, 2013, 6:26 PM), http://americanbanker.com/issues/178_247/regulators-get-extra-time-to-reply-to-abas-volcker-suit-1064568-1.html.

⁶² *See The Volcker Rule: Hedge Trimming*, *supra* note 59.

⁶³ Gandel, *supra* note 8.

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ Victoria Finkle, *Senators Propose Narrow Fix for Volcker Rule*, AM. BANKER (Jan. 13, 2014, 4:54 PM), http://americanbanker.com/issues/179_9/senators-propose-narrow-fix-for-volcker-rule-1064880-1.html

⁶⁷ Blackwell, *supra* note 47.

⁶⁸ *See* Gandel, *supra* note 8.

⁶⁹ Paul Davis, *More Community Banks Feel Volcker Rule’s Sting*, AM. BANKER (Jan. 21, 2014, 12:27 PM), http://americanbanker.com/issues/179_14/more-community-banks-feel-volcker-rules-sting-1065054-1.html.

⁷⁰ Andrew Zajac, *Volcker Rule Lawsuit Dropped as Regulations Revised*, BLOOMBERG (Mar. 27, 2011, 2:12 PM), <http://bloomberg.com/news/2014-02-13/volcker-rule-lawsuit-dropped-as-regulations-revised.html>.

The future of portfolio hedging has also been a concern.⁷¹ After the unveiling of the finalized Volcker Rule, banks feared the rule would kill the practice of portfolio hedging.⁷² However, portfolio hedging still persists; it is “alive and well under the now-final Volcker Rule” in part because the “hedging of individual or aggregated positions” is permitted.⁷³ Yet, time will tell the true impact of the Volcker Rule; while regulators have been given powers to define what determines an allowable portfolio hedge, banks are in charge of their own compliance.⁷⁴

The line between market-making and proprietary trading is a contentious issue.⁷⁵ The finalized rule makes clear that a “subjectiv[e]” inquiry will determine the demarcation, which will depend on the conditions of the trade.⁷⁶ This uncertainty will remain a challenge, as “there is a lot of ambiguity about the exceptions to the general ban on proprietary trading.”⁷⁷ Without bright lines, companies’ market-making actives may be decreased.⁷⁸

The treatment of foreign banks also remains unclear.⁷⁹ One concern is a potential favoring of foreign banks because “certain activities and investments that are conducted solely outside the

⁷¹ See Akshat Tewary, *Portfolio Hedging Is Alive and Well Under Volcker*, AM. BANKER (Dec. 30, 2013, 10:00 AM), <http://americanbanker.com/bankthink/portfolio-hedging-is-alive-and-well-under-volcker-1064564-1.html>

⁷² *Id.*

⁷³ *Id.*

⁷⁴ *Id.*

⁷⁵ *The Volcker Rule: More Questions than Answers*, *supra* note 22 (explaining that since both market-making activities and proprietary trading involve using a bank’s capital, risk is involved in both activities).

⁷⁶ *Id.* (“Where, precisely, the line will be drawn between market-making and proprietary trading, or between legitimate and specious hedging, is anyone’s guess.”).

⁷⁷ *The Volcker Rule: What It Is and Its Impact on Business*, *supra* note 8 (“The ban on proprietary trading applies to a ‘banking entity’ and that’s pretty easy to determine based on how you’re regulated, your affiliates, and your size. However, there is a lot of ambiguity about the exceptions to the general ban on proprietary trading, such as what is permissible market making. This may result in banks taking an overly conservative approach to their proprietary trading generally and to their market-making activities in particular in order to avoid a violation.”).

⁷⁸ *Id.*

⁷⁹ *Id.*

United States by foreign banks are exempted.”⁸⁰ One issue is that “[a] foreign bank may have a competitive advantage over U.S. banks, which might give rise to some forum shopping.”⁸¹

F. Conclusion

The finalized Volcker Rule heralds a new era of increased regulation and oversight.⁸² What began as a simple amendment to the Dodd Frank Act has become a complex regulation set forth in almost 1000 pages of legislation.⁸³ The immediate effects of the finalized Volcker Rule have resulted in increased litigation and the associated expense of legal representation, the evolution of required amendments to the rule, and the never-ending need to provide administrative clarification of the meaning behind terms in the Rule.⁸⁴ The ultimate success or failure of the Volcker Rule will be determined by the political and business climate as those evolve with the passage of time.⁸⁵

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⁸⁰ *Id.*

⁸¹ *Id.*

⁸² *See supra* Part A.

⁸³ *See supra* Part C.

⁸⁴ *See supra* Part E.

⁸⁵ *See supra* Part D.

⁸⁶ Student, Boston University School of Law (J.D. 2015).