

Amendment to H.R. 2924

Offered by Mr. Baker and Mr. Kanjorski

Page 3, after line 2, insert the following new paragraph (and redesignate subsequent paragraphs accordingly):

1 (2) CONTROL.—The term “control” means the
2 possession, direct or indirect, of the power to direct
3 or cause the direction of the management and poli-
4 cies of a person, whether through the ownership of
5 voting securities, by contract, or otherwise.

Page 4, strike line 5 and all that follows through line 19, and insert the following new paragraph:

6 (4) UNREGULATED HEDGE FUND.—
7 (A) IN GENERAL.—The term “unregulated
8 hedge fund” means any pooled investment vehi-
9 cle, or any group or family of pooled investment
10 vehicles under the control of the same person,
11 that had, as of the last business day of any of
12 the 4 most recent calendar quarters, either—

1 (i) aggregate total assets of
2 \$3,000,000,000 or more; or

3 (ii) aggregate net assets of
4 \$1,000,000,000 or more.

5 (B) EXCLUSION OF CERTAIN POOLED IN-
6 VESTMENT VEHICLES.—The term “unregulated
7 hedge fund” does not include any pooled invest-
8 ment vehicle that is—

9 (i) registered with the Securities and
10 Exchange Commission;

11 (ii) operated by a person registered
12 with the Commodity Futures Trading
13 Commission as a commodity pool operator
14 and that publicly discloses information
15 comparable to the information required to
16 be disclosed under this Act; or

17 (iii) subject to examination by, or the
18 reporting requirements of, a Federal bank-
19 ing agency.

20 (C) FURTHER BOARD DEFINITION.—

21 (i) IN GENERAL.—The Board may ex-
22 empt by regulation, conditionally or uncon-
23 ditionally, any person or class of persons
24 from the definition of the term “unregu-
25 lated hedge fund” or the requirements of

1 section 4(a), as the Board determines to be
2 consistent with the public interest or the
3 purposes of this Act.

4 (ii) CONSIDERATION OF AVAILABILITY
5 OF INFORMATION.—In exercising any au-
6 thority under this subparagraph, the
7 Board shall consider the extent to which
8 information about a person or class of per-
9 sons is already publicly available.

Page 5, strike line 1 and all that follows through
line 4, and insert the following new paragraph:

10 (1) Meaningful and comprehensive financial in-
11 formation (such as a complete set of financial state-
12 ments prepared in accordance with generally accept-
13 ed accounting principles consistently applied and
14 measures of off-balance sheet exposure) for or as of
15 the end of the calendar quarter.

Page 5, line 6, strike “market”.

Page 5, line 13, insert “, except that no such regula-
tion may require an unregulated hedge fund to reveal
proprietary information” before the period at the end.

Page 5, line 21, strike “subject to subsection (c),”.

Page 5, strike line 23, and all that follows through page 6, line 10 (and redesignate subsequent subsections accordingly).

Page 6, strike line 11 and insert the following (and redesignate the subsequent paragraphs as subparagraphs (A) and (B) accordingly):

1 (c) REGULATIONS.—

2 (1) IN GENERAL.—The Board may, in consulta-
3 tion with the Secretary of the Treasury, the Chair-
4 man of the Securities and Exchange Commission,
5 the Chairman of the Commodity Futures Trading
6 Commission, and the Federal banking agencies, to
7 prescribe regulations, as may be appropriate in the
8 public interest or to further the purposes of this Act,
9 that prescribe the form of the reports required by
10 subsection (a) and define or interpret the terms used
11 in this Act.

12 (2) REGULATION TIME-FRAME.—The Board
13 shall—

Page 7, line 16, strike “3 or”.

Page 7, line 19, strike “No” and insert “Except as provided in subsection (a), no”.

Page 8, strike lines 13 and 14 and insert “and Exchange Commission”.