

AMENDMENT TO H.R. 2779

OFFERED BY MS. MOORE AND MR. STIVERS

Page 3, line 5, strike “The term” and insert “For the purposes of any clearing and execution requirements under sections 3C and any applicable margin requirements of section 15F(e), and for purposes of defining a security-based swap dealer or a major security-based swap participant, and reporting requirements other than those set forth in clause (ii), the term”.

Page 3, strike lines 11 through 14 and insert the following:

1 “(II) is entered into by parties
2 that report information or prepare fi-
3 nancial statements on a consolidated
4 basis, or for which an affiliated com-
5 pany reports information or prepares
6 financial statements on a consolidated
7 basis for both parties.”.

Page 3, line 24, strike the quotation marks and following period and after such line insert the following:

8 “(iii) PRESERVATION OF FEDERAL
9 RESERVE ACT AUTHORITY.—Nothing in

1 this subparagraph shall exempt a trans-
2 action described in this subparagraph from
3 sections 23A or 23B of the Federal Re-
4 serve Act or implementing regulations
5 thereunder.

6 “(iv) PROTECTION OF INSURANCE
7 FUNDS.—Nothing in this subparagraph
8 shall be construed to prevent the regulator
9 of a Federal or State insurance fund or
10 guarantee fund from exercising its other
11 existing authority to protect the integrity
12 of such a fund, except that such regulator
13 shall not subject security-based swap
14 transactions between affiliated companies
15 to clearing and execution requirements
16 under section 3C, to any applicable margin
17 and capital requirements of section 15F(e),
18 or to reporting requirements other than
19 those set forth in clause (ii).

20 “(v) PREVENTION OF EVASION.—The
21 Commission may prescribe rules under this
22 subparagraph (and issue interpretations of
23 rules prescribed under this subparagraph)
24 as determined by the Commission to be
25 necessary to include in the definition of se-

1 curity-based swap under this paragraph
2 any agreement, contract, or transaction
3 that has been structured as an affiliate
4 transaction to evade the requirements of
5 this Act applicable to security-based
6 swaps.”.

