

TITLE VI – Improvements to Regulation of Bank and Savings Association Holding Companies and Depository Institutions

Section	Title	Existing Law Added to/ Amended	To Provide/Study	Mandatory/ Permissive Rulemaking or Study	Regulator(s) Assigned	Due Date	Status
Section 603(b)	Title VI		Study on treatment of credit card banks, industrial loan companies and certain other companies under the Bank Holding Company Act of 1956.	Mandatory	Comptroller General	Not later than 18 months after enactment of the Act.	
Section 608(a)	Title VI	Section 23A of the Federal Reserve Act (12 U.S.C. 371c)	Amendment to enhance restrictions on bank transactions with affiliates. The Federal Reserve may issue such regulations or interpretations as the Federal Reserve determines are necessary or appropriate with respect to the manner in which a netting agreement may be taken into account in determining the amount of a covered transaction between a member bank or a subsidiary and an affiliate.	Permissive	Federal Reserve	Amendment is effective 1 year after the Transfer Date (the date that the authorities of the OTS are transferred to the other banking agencies under Title III). No time frame for rulemaking is provided.	
Section 615	Title VI	Addition of Section 18(z) to Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) and amendment to	The Federal Reserve may issue such rules as may be necessary to define terms and to carry out the purposes of the subsection which limits transactions with executive officers, directors and principal	Permissive	Federal Reserve	Amendment is effective on the Transfer Date. No time frame for rulemaking is provided.	

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		Section 22(d) of the Federal Reserve Act	shareholders.				
Section 616	Title VI	Section 5(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(b)); Section 10(g)(1) of the Home Owners' Loan Act (12 U.S.C. 1467a(g)(1)); Section 908(a)(1) of the International Lending Supervision Act of 1983 (12 U.S.C. 3907(a)(1)); The Federal Deposit Insurance Act (12 U.S.C. 1811)	Amendment to adjust capital requirements such that capital requirements will be procyclical.	Mandatory	Federal banking agencies	Amendment is effective on the Transfer Date. Rulemaking: not later than 1 year after the Transfer Date.	
Section 618(d)	Title VI		The Federal Reserve shall prescribe capital adequacy and other risk management standards for supervised securities holding companies.	Mandatory	Federal Reserve	No time frame provided.	
Section 618(e)	Title VI		The Federal Reserve may provide by regulation that securities holding companies are subject to the Bank Holding	Permissive	Federal Reserve	No time frame provided.	

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			Company Act as though they were bank holding companies, except for purposes of Section 4 of the Bank Holding Company Act.				
Section 619	Title VI	New Section 13 Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.)	<p>Amendment: Amendment to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) (prohibitions on proprietary trading and certain relationships with hedge funds and private equity funds).</p> <p>Study: Study on the prohibitions on proprietary trading and certain relationships with hedge funds and private equity funds by bank holding companies.</p> <p>Rulemaking: adoption of rules to carry out prohibitions on proprietary trading and certain relationships with hedge funds and private equity funds, including capital requirements, quantitative limitations, limitations on permitted activities, and anti-evasion.</p>	Mandatory	<p>Study: Financial Stability Oversight Council</p> <p>Rulemaking: Federal banking agencies; SEC and the CFTC</p>	<p>Amendment: Effective the earlier of 12 months after the date of the issuance of final rules or 2 years after the enactment of the Act.</p> <p>Study: to occur no later than 6 months after the date of enactment of the Act.</p> <p>Rulemaking: Not later than 9 months after the completion of the Study</p> <p>Special Rulemaking: For rules relating to conformance period for divestiture and extended transition for illiquid funds, rules shall be promulgated no later than 6 months after the enactment of the Act.</p>	<p>Notice and Request for Information, 75 Fed. Reg. 61,758 (Oct. 6, 2010). Comments are due November 5, 2010</p> <p>Study released on January 18, 2011, by the Financial Stability Oversight Council (Study & Recommendations on Prohibitions on Proprietary Trading & Certain Relationships with Hedge Funds & Private Equity Funds, Financial Stability Oversight Council, January 2011.</p>

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Section 620	Title VI		Study on bank investment activities. Generation of a report to the Financial Stability Oversight Council, the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate.		Federal banking agencies	Not later than 18 months after the date of enactment of the Act. Report to Congress is due no later than 2 months after the completion of the study.	
Section 621	Title VI	Adds new Section 27B to the Securities Act of 1933 (15 USC 77a et seq.)	Amendment: Amendment to the Securities Act of 1933 (Conflicts of Interest Relating to Certain Securitizations) . Rulemaking: Rulemaking to address conflicts of interest relating to certain securitizations.	Mandatory	SEC	Amendment: Shall take effect on the effective date of final rules issued by the SEC under subsection (b) of section 27(b) of the amendment. Rulemaking under subsection (b) of Section 27(b): Not later than 270 days after the enactment of the Act.	
Section 622	Title VI	New Section 13 to Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.)	Amendment: provides for concentration limits on large financial firms. Study: on the extent to which concentration limits under the amendment would affect financial stability, moral hazard	Mandatory	Study: Financial Stability Oversight Council Rulemaking: Federal	Amendment: Effective upon the enactment of the Act. Study: to be done 6 months after the date of enactment.	

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			<p>in the financial system, efficiency and competitiveness of financial firms and financial markets, and the cost and availability of credit).</p> <p>Rulemaking: Rules to be promulgated on concentration limits on large financial firms.</p>		Reserve in consultation with Financial Stability Oversight Council	Rulemaking: Not later than 9 months after the date of completion of the study.	
Section 626	Title VI	New Section 10A Home Owners' Loan Act (12 U.S.C. 1467a)	<p>Amendment addressing intermediate holding companies for grandfathered unitary savings and loan companies.</p> <p>Rulemaking: Authorizes Federal Reserve to promulgate regulations to establish the criteria for determining whether to require a grandfathered unitary savings and loan holding company to establish an intermediate holding company and establish restrictions or limitations on transactions between an intermediate holding company or a parent of such company and its affiliates.</p>	Mandatory	Federal Reserve	Amendment: Effective 1 day after the enactment of the Act.	

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Various	Title VI		Various amendments made in Title VI will require conforming amendments to existing regulations of the Federal banking agencies, including regulations relating to interstate mergers, transactions with affiliates, lending limits and the payment of interest on deposits				