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(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R.

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to establish an exemption from the credit valuation adjustment calculation for uncleared derivatives transactions with end-users so that United States companies are not disadvantaged, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to establish an exemption from the credit valuation adjustment calculation for uncleared derivatives transactions with end-users so that United States companies are not disadvantaged, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CREDIT VALUATION ADJUSTMENT RELIEF.**

4 (a) IN GENERAL.—The Dodd-Frank Wall Street Re-
5 form and Consumer Protection Act (12 U.S.C. 5361 et

1 seq.), is amended by inserting after section 176 the fol-
2 lowing new section:

3 **“SEC. 177. CREDIT VALUATION ADJUSTMENT.**

4 “Prudential risk-based capital requirements and gen-
5 erally applicable risk-based capital requirements estab-
6 lished by the appropriate Federal banking agencies shall
7 not apply a fair value adjustment to reflect counterparty
8 credit risk in valuation of over-the-counter derivative con-
9 tracts with respect to transactions with a counterparty
10 that—

11 “(1) is described under section 2(h)(7)(A) of
12 the Commodity Exchange Act;

13 “(2) is a person or class of persons that meets
14 any qualifications required by a regulation issued by
15 the Commodity Futures Trading Commission with
16 respect to such person or class of persons qualifying
17 for an exemption under section 4(c)(1) of the Com-
18modity Exchange Act from the requirements of sec-
19tion 2(h)(1)(A) of such Act; or

20 “(3) is an affiliate that meets the requirements
21 for an exception under section 2(h)(7)(D) of the
22 Commodity Exchange Act.”.

23 (b) CONFORMING AMENDMENT.—The table of con-
24 tents in section 1(b) of the Dodd-Frank Wall Street Re-
25 form and Consumer Protection Act (12 U.S.C. 5301 note)

1 is amended by inserting after the item relating to section

2 176 the following new item:

“Sec. 177. Credit valuation adjustment.”.