

MILLER 009  
(Revised)

**AMENDMENT TO COMMITTEE PRINT  
OFFERED BY MR. MILLER OF NORTH CAROLINA**

Page 31, after line 15, insert the following new paragraph:

1           (7) INCLUSION OF OFF BALANCE SHEET AC-  
2           TIVITIES IN COMPUTING CAPITAL REQUIREMENTS.—

3           (A) IN GENERAL.—In the case of any fi-  
4           nancial holding company subject to stricter  
5           standards, the computation of capital require-  
6           ments shall take into account off balance sheet  
7           activities for such a company.

8           (B) EXEMPTION.—If the Board determines  
9           that an exemption from the requirements under  
10          subparagraph (A) is appropriate, the Board  
11          may exempt a financial holding company sub-  
12          ject to stricter standards from the requirements  
13          under subparagraph (A) or any transaction or  
14          transactions engaged in by such a company.

15          (C) OFF BALANCE SHEET ACTIVITIES DE-  
16          FINED.—For purposes of this subsection, the  
17          term “off balance sheet activities” means a li-  
18          ability that is not currently a balance sheet li-  
19          ability but may become one upon the happening

1 of some future event, including the following  
2 transactions, to the extent they may create a li-  
3 ability:

4 (i) Direct credit substitutes in which a  
5 bank substitutes its own credit for a third  
6 party, including standby letters of credit.

7 (ii) Irrevocable letters of credit that  
8 guarantee repayment of commercial paper  
9 or tax-exempt securities.

10 (iii) Risk participations in bankers'  
11 acceptances.

12 (iv) Sale and repurchase agreements.

13 (v) Asset sales with recourse against  
14 the seller.

15 (vi) Interest rate swaps.

16 (vii) Credit Swaps.

17 (viii) Commodity contracts.

18 (ix) Forward contracts.

19 (x) Securities contracts.

20 (xi) Such other activities or trans-  
21 actions as the Board may, by rule, define.

