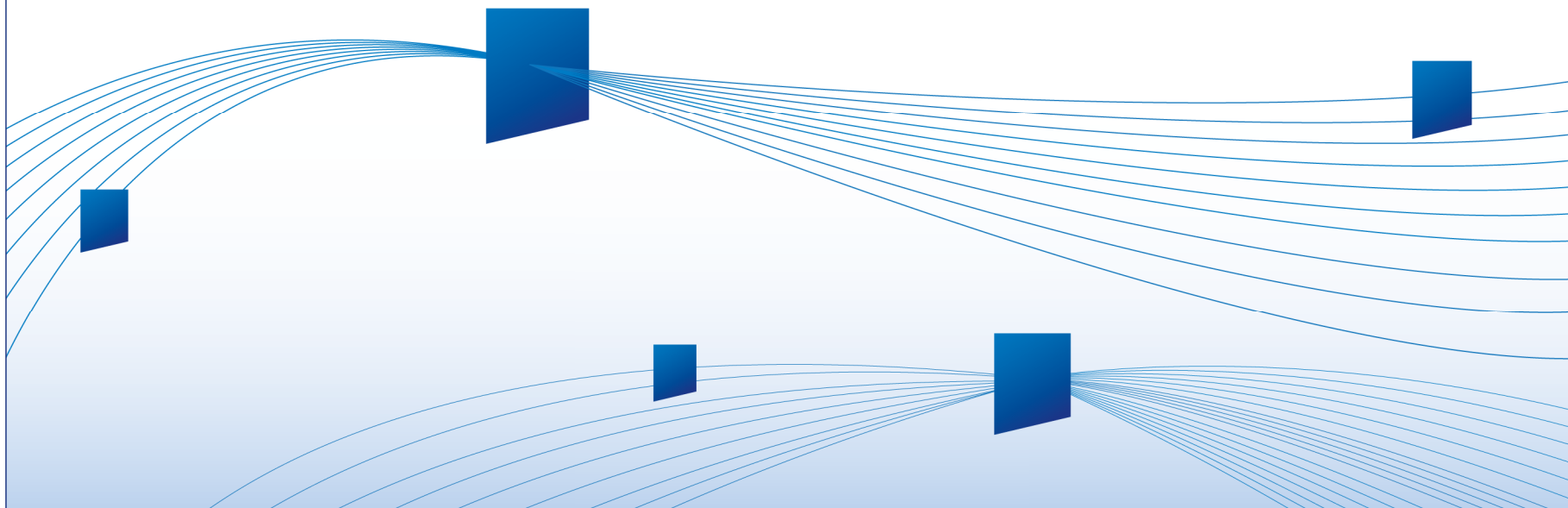


Washington Update: Dodd-Frank Act and Related Policy Developments

Clarke D. Camper



U.S. Political Environment and Implications

Divided Government Expected After 2 November Elections

- Currently Democrats hold White House and control both houses of Congress
- Control of at least one house of Congress likely will flip to Republicans

Key Question: Will It Produce Compromise or Gridlock?

- Implications for:
 - U.S. economic policy
 - Dodd-Frank Act
 - Capital markets regulation

Dodd-Frank Financial Regulatory Reform Act

Key Provisions

- Systemic Risk
 - Financial Stability Oversight Council
- Over-the-Counter Derivatives
 - Mandatory exchange trading and clearing for standardized swaps
 - Spin-off bank swap desks
 - Strict limits on proprietary trading
- Executive Compensation and Corporate Governance
- Resolution Authority
 - Fixing “Too Big to Fail”
- Leverage and Risk-Based Capital Requirements
- Investment Adviser Regulation

Impact of May 6 “Flash Crash”

Spotlight on Need to Improve Markets

- Renewed legislative/regulatory market reform efforts
- Also, many observers believe it harmed investor confidence

NYSE Euronext a Vocal Advocate in Washington

- Not only on market reform but also promoting vibrant capital markets
 - Advocating policies to
 - Promote IPOs
 - Reduce burdens on small business
 - Generate job growth



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