
15 U.S. Code § 8305

Prohibition against Federal Government bailouts of swaps entities

(a) Prohibition on Federal assistance

Notwithstanding any other provision of law (including regulations), no Federal assistance may be provided to any swaps entity with respect to any swap, security-based swap, or other activity of the swaps entity.

(b) Definitions

In this section:

(1) Federal assistance

The term “Federal assistance” means the use of any advances from any Federal Reserve credit facility or discount window that is not part of a program or facility with broad-based eligibility under section 343(3)(A) of title 12, Federal Deposit Insurance Corporation insurance or guarantees for the purpose of—

- (A) making any loan to, or purchasing any stock, equity interest, or debt obligation of, any swaps entity;
- (B) purchasing the assets of any swaps entity;
- (C) guaranteeing any loan or debt issuance of any swaps entity; or
- (D) entering into any assistance arrangement (including tax breaks), loss sharing, or profit sharing with any swaps entity.

(2) Swaps entity

(A) In general

The term “swaps entity” means any swap dealer, security-based swap dealer, major swap participant, major security-based swap participant, that is registered under—

- (i) the Commodity Exchange Act (7 U.S.C. 1 et seq.); or
- (ii) the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

(B) Exclusion

The term “swaps entity” does not include any major swap participant or major security-based swap participant that is an ^[1]covered depository institution.

(3) Covered depository institution

The term “covered depository institution” means—

- (A) an insured depository institution, as that term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); and
- (B) a United States uninsured branch or agency of a foreign bank.

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