

D. Any presumption would not be appropriate because the purchasers of the debt securities may be relying on assets other than margin stock of Company D for repayment of the credit.

**§221.125 Credit to brokers and dealers.**

(a) The National Securities Markets Improvement Act of 1996 (Pub. L. 104-290, 110 Stat. 3416) restricts the Board's margin authority by repealing section 8(a) of the Securities Exchange Act of 1934 (the Exchange Act) and amending section 7 of the Exchange Act (15 U.S.C. 78g) to exclude the borrowing by a member of a national securities exchange or a registered broker or dealer "a substantial portion of whose business consists of transactions with persons other than brokers or dealers" and borrowing by a member of a national securities exchange or a registered broker or dealer to finance its activities as a market maker or an underwriter. Notwithstanding this exclusion, the Board may impose such rules and regulations if it determines they are "necessary or appropriate in the public interest or for the protection of investors."

(b) The Board has not found that it is necessary or appropriate in the public interest or for the protection of investors to impose rules and regulations regarding loans to brokers and dealers covered by the National Securities Markets Improvement Act of 1996.

**PART 222—FAIR CREDIT REPORTING (REGULATION V)**

AUTHORITY: 15 U.S.C. 1681s; Sec 3, Pub. L. 108-159, 117 Stat. 1953.

SOURCE: 68 FR 74469, Dec. 24, 2003, unless otherwise noted.

**Subpart A—General Provisions**

**§222.1 Purpose, scope, and effective dates.**

(a)-(b) [Reserved]

(c) *Effective dates.* The applicable provisions of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act), Pub. L. 108-159, 117 Stat. 1952, shall be effective in accordance with the following schedule:

(1) *Provisions effective December 31, 2003.*

(i) Sections 151(a)(2), 212(e), 214(c), 311(b), and 711, concerning the relation to state laws; and

(ii) Each of the provisions of the FACT Act that authorizes an agency to issue a regulation or to take other action to implement the applicable provision of the FACT Act or the applicable provision of the Fair Credit Reporting Act, as amended by the FACT Act, but only with respect to that agency's authority to propose and adopt the implementing regulation or to take such other action.

(2) [Reserved]

**PART 223—TRANSACTIONS BETWEEN MEMBER BANKS AND THEIR AFFILIATES (REGULATION W)**

**Subpart A—Introduction and Definitions**

Sec.

223.1 Authority, purpose, and scope.

223.2 What is an "affiliate" for purposes of sections 23A and 23B and this part?

223.3 What are the meanings of the other terms used in sections 23A and 23B and this part?

**Subpart B—General Provisions of Section 23A**

223.11 What is the maximum amount of covered transactions that a member bank may enter into with any single affiliate?

223.12 What is the maximum amount of covered transactions that a member bank may enter into with all affiliates?

223.13 What safety and soundness requirement applies to covered transactions?

223.14 What are the collateral requirements for a credit transaction with an affiliate?

223.15 May a member bank purchase a low-quality asset from an affiliate?

223.16 What transactions by a member bank with any person are treated as transactions with an affiliate?

**Subpart C—Valuation and Timing Principles Under Section 23A**

223.21 What valuation and timing principles apply to credit transactions?

223.22 What valuation and timing principles apply to asset purchases?

223.23 What valuation and timing principles apply to purchases of and investments in securities issued by an affiliate?