

Alert 10-115



## U.S. Senate Takes Action on Financial Reform Bill

Last evening, May 20, the Senate passed Bill 3217, titled the "Restoring American Financial Stability Act of 2010." Senate Bill 3217 will now be reconciled with House Bill 4173, the version of a financial reform package passed by the House of Representatives in late 2009. The expectation is that reconciliation will be completed over the next several weeks, and final legislation will be signed into law by President Obama by the July 4th Congressional recess.

### Reed Smith's Global Financial Industry Group To Provide Insights via Webinar Series

Reed Smith's Financial Industry Group will present a multi-session Webinar series on the major elements of the reform legislation, and the consequences (intended and unintended) of the new law for banks and other industry participants. Reed Smith's initial session will be held shortly after completion of the bill reconciliation process. Notices regarding the dates, times and participation details will be suitably furnished. The Reed Smith Webinar sessions will address the following areas:

1. **Overview Session.** At its essence, the legislation will: (a) significantly alter the authority of existing U.S. regulators; (b) create new U.S. regulators; and (c) create classes of the "newly regulated." The legislation also permits regulators to "wind-down" a systemically important non-bank financial institution outside of the bankruptcy court process. Session No. 1 will address these areas, as well as provide a survey of regulatory reform activity outside of the United States.
2. **Derivatives Session.** The legislation will have far-reaching implications for the derivatives markets, and will affect both dealers and end-users. This session will address these implications and provide an update on derivatives regulation in the UK.
3. **Executive Compensation.** Session No. 3 will address the impact of the U.S. reform legislation in the area of executive compensation, and the session will also address executive compensation reforms in the UK.
4. **Enforcement and Litigation Trends.** Session No. 4 will address the areas of litigation currently underway as a result of the financial crisis, and provide insights into expected areas of heightened litigation and regulatory enforcement action resulting from the reform legislation.
5. **Impact on the Funds Industry.** The U.S. reform legislation will have a direct and significant impact on the private funds industry, and the reach of the legislation could also impact the registered funds industry. Session No. 5 will address these matters.
6. **Consumer Protection.** The U.S. reform package will have a profound impact on the consumer regulation area. Session No. 6 will address the new consumer protection regulator created by the legislation; changes in federal preemption rules; and new rights and remedies of consumers and state attorneys general.
7. **Doing Deals and Raising Capital Under Regulatory Reform.** New capital requirements will likely have significant impacts on merger and acquisition structures and capital-raising activity. Session No. 7 will address these areas.

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