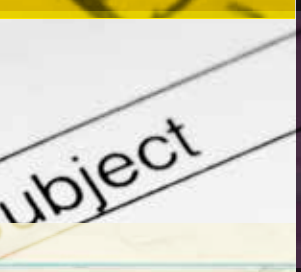
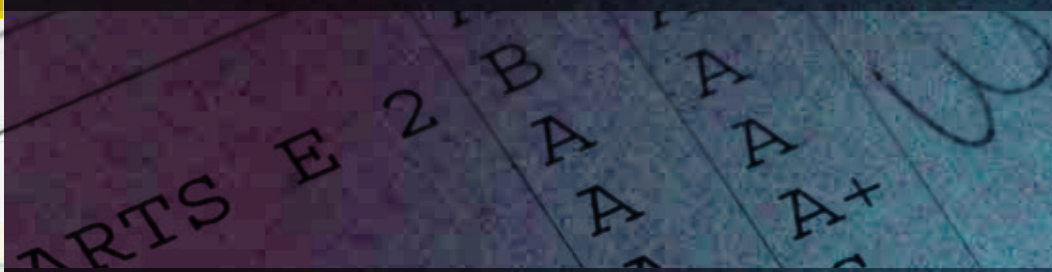
Financial Regulatory Reform





2014 Report Card

Center for Capital Markets Competitiveness®

Financial Regulatory Reform 2014 Report Card

The report card evaluates the progress being made by regulators and policy-makers to achieve modern, well-regulated, fair, transparent, and vibrant capital markets that are needed for Main Street businesses to grow and provide goods and services to their customers.

Started in 2012, the annual report card is designed to look both at The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank) as well as key regulatory issues not addressed by the law. More than three and a half years into Dodd-Frank implementation, the law's complexity and overlapping, even conflicting requirements are still challenging to regulators, regulated entities, and the capital markets.

Failure to get financial regulatory reform right will deprive job creators of capital raising and risk mitigation tools they need to drive growth and individuals of credit and investment opportunities they need to save for their future. This report card assesses whether specific regulations are working for Main Street in four categories.

- ❑ Protect, Educate, and Serve Consumers while Preserving Access to Credit
- ❑ Protect and Appropriately Serve Investors
- ❑ Preserve Main Street Companies' Ability to Manage Risk and Raise Capital
- ❑ Strengthen the Overall System while Allowing Responsible Risk-Taking

The grades given are based on progress made by Congress and the regulators to modernize capital markets regulation and lays out achievable steps that can be taken to—*bring up the grade*—improve key regulatory proposals, provide more certainty, mitigate unintended consequences, and ensure the final outcome is a capital formation system that benefits investors, consumers, and job creators. In most cases, regulatory reform is still incomplete and therefore graded as such along with a letter grade, based on progress to date.

Financial Regulatory Reform: 2014 Report Card

	2013	2014
Protect, Educate, and Serve Consumers while Preserving Access to Credit		
Set Clear Rules Through an Open and Transparent Process	n/a	I(C-)
Preserve Consumer Choice	n/a	I(C-)
Reforming the Consumer Financial Protection Bureau	n/a	I(C)
Protect and Appropriately Serve Investors		
Corporate Governance Disclosures (Resource Extraction B; Conflict Minerals I)	I	B-
Executive Compensation	I(C)	I(C)
Proxy Advisory Firm Transparency	I(C)	C-
Accounting and Auditing Standards	B	B-
Fiduciary Standard of Care	n/a	I(C)
Reforming the U.S. Securities and Exchange Commission	I(C)	I(C)
Preserve Main Street Companies' Ability to Manage Risk and Raise Capital		
Derivatives Regulation	I(C+)	I(C+)
Money Market Mutual Fund Reform	I(C-)	I(C-)
The Volcker Rule	I(D)	C
Strengthen the Overall System while Allowing Responsible Risk-Taking		
Financial Stability Oversight Council and Systemic Risk Designation	I(D)	I(D-)
Federal Reserve's Systemic Risk Regime	n/a	I(D-)
Office of Financial Research's Evidence-Based Analysis	n/a	I(D)
Basel III / Capital Standards	I(C)	I(C-)
International Coordination	n/a	C-

A: Complete (or near-complete) and satisfied with the regulation/outcome
I(B): Incomplete, but moving in a positive direction
I(C): Incomplete, too soon to evaluate potential consequences
I(D): Incomplete, strong concerns about negative impact on the economy or specific industries
F: Economically harmful reform

Protect, Educate, and Serve Consumers while Preserving Access to Credit

Just as American businesses depend on deep, liquid markets to provide diverse, flexible financing options, individuals depend on a healthy, robust financial services industry to provide varied, affordable financing options. From traditional banking products, to credit cards, to home mortgages, to innovative credit products, such as payroll cards, consumers rely on access to credit. Credit drives opportunity for individuals across this county. In the name of consumer protection, some regulatory initiatives could impede on American's ability to purchase their first home or finance student loans or borrow for a kitchen appliance by limiting their choices to plain vanilla financial products. In order to ensure economic opportunity regulators must continue to strive to protect and educate consumers while preserving their access to credit. CCMC continues to advocate for the essential role of the financial services industry and warns policy-makers and regulators to consider the unintended consequences of limiting consumer choice when regulating individual products or industries.

Set Clear Rules Through an Open and Transparent Process —I(C-)

101: CCMC believes that companies should be held accountable for fraudulent acts and provide consumers with easy to understand information about the details of their agreements. However, recent actions by the Consumer Financial Protection Bureau (CFPB) suggest that instead of changing or creating rules through transparent notice-and-comment rulemaking, they are using speeches, bulletins, supervision, and one-off enforcement, or a "phone and pen" approach to imply new consumer protection standards. Creating uncertainty about what the law requires of companies does not protect consumers.

To bring up the grade, key stakeholders should do the following:

- ❑ The CFPB should follow fair, transparent processes, including notice-and-comment periods, when substantially altering or creating new rules.
- ❑ The CFPB should ensure more effective coordination with safety and soundness regulators to guarantee that CFPB regulations do not conflict with other regulations or otherwise undermine the diversity and soundness of the banking system.

Preserve Consumer Choice—I(C-)

101: CCMC supports the CFPB's efforts to protect consumers, combat fraud, and increase the transparency of consumer financial products. However, we remain concerned that the CFPB's approach to consumer protection is beginning to limit access to credit in the marketplace for consumers and small businesses.

To bring up the grade, key stakeholders should do the following:

- ❑ The CFPB should protect and inform consumers, while preserving consumer choice and access to credit by not dictating how credit will be allocated.

Reforming the Consumer Financial Protection Bureau—I(C)

101: Independent Federal agencies must take a balanced approach to overseeing the markets they regulate, and this mandate is reinforced by a series of structural checks and balances like bipartisan leadership and the need to secure Congressional approval for its funding. Without these features and the accountability measures they impose, the CFPB has been free to step around the open regulatory process and create new law through less transparent, less rigorous means, and has simultaneously avoided Congressional attempts to conduct effective oversight.

To bring up the grade, key stakeholders should do the following:

- ❑ The Senate should pass legislation that would replace the single director leadership structure at the CFPB with a bipartisan commission to ensure continuity and a balanced approach to policymaking.
- ❑ The Senate should restore Congressional funding oversight by bringing the CFPB's budget within the formal appropriations process, similar to most independent agencies.

Protect and Appropriately Serve Investors

Individuals have long relied on the public markets to save for retirement, grow their budding businesses, or to help finance other major life events. CCMC supports regulations to protect investors from fraudulent practices and policies to ensure investors have pertinent information readily available to make informed decisions. Strong balanced policies such as these are necessary to fuel the capital formation system needed by businesses to spur growth and prosperity for investors and the economy at large.

Corporate Goverance Disclosures—B-
(Resource Extraction B; Conflict Minerals I)

101: CCMC supports corporate governance reforms that effectively improve shareholder value without advancing the agendas of special interests or mandating one-size-fits-all approaches to governing public companies. CCMC will continue to push back against the activist agenda that seeks to use the corporate governance process to gain benefit for a minority of shareholders with a political agenda at the expense of a majority of stakeholders. Increasingly, corporations are being required to report information that has very little to do with the profitability of the company, to the detriment of the investors. "More" disclosures can be actually "less" useful for investors, in particular for retail investors who do not have access to the same resources as institutional investors.

To bring up the grade, key stakeholders should do the following:

- ❑ The Securities and Exchange Commission (SEC), along with key stakeholders, should develop a 21st century disclosure framework to prevent information overload from multiple overlapping and sometimes contradictory reporting and disclosure requirements and standards.
- ❑ The SEC should refocus corporate governance policies to meet its core mission: promoting investor protection, capital formation, and competition.
- ❑ Congress should repeal the Conflict Minerals and Resource Extraction rules that place costly burdens on American businesses while failing to achieve foreign policy objectives. They should also empower appropriate foreign policy apparatus to resolve international conflicts.

Executive Compensation—I(C)

101: CCMC advocates for reasonable policies that allow pay for performance and promote long-term shareholder value and profitability but not constrain reasonable risk taking and innovation. A one-size-fits-all approach mandated by federal regulators or proxy advisors is not good governance and would undermine shareholder interests. Almost four years after the passage of Dodd-Frank or through other regulatory initiatives, the SEC has yet to issue proposed rules or finish rulemakings regarding executive compensation policies, such as pay for performance, claw-backs, and incentive-based compensation.

To bring up the grade, key stakeholders should do the following:

- ❑ Regulators should enact appropriate corporate governance and executive compensation provisions and disclosures that promote long-term shareholder value and allow for reasonable risk-taking while replacing ones, such as Pay-Ratio disclosures, that are immaterial to shareholders and burdensome to the businesses they invest in.

Proxy Advisory Firm Transparency—(C-)

101: A proxy advisory firm is hired by institutional investors to recommend how institutional shareholders should vote on items presented in public companies' proxy statements. Due to the volume of proxy votes, advisors also frequently cast votes on clients' behalf, based on an off-the-shelf proxy voting policy. Proxy advisory firms have become the *de facto* regulators of corporate governance; yet they are not required to abide by any of the transparency and due process requirements followed by government regulators and are fraught with inherit conflicts of interest. Failure to establish rules of the road for proxy advisors will undermine corporate elections and annual shareholder meetings, which inevitably will harm investors and the economy. The firms have not taken any action to increase transparency or accountability, while other key stakeholders have engaged in constructive dialogues on how to improve the system. In fact, one firm has recently proposed a recommendation that would reverse public policy determinations made by Congress, the SEC, and the Public Company Accounting Oversight Board (PCAOB).

To bring up the grade, key stakeholders should do the following:

- ❑ The SEC should build on last year's roundtable and work with key stakeholders and proxy advisory firms to develop standards that move the industry towards a more accountable, transparent, and evidence-based policymaking process while eliminating core conflicts of interest.
- ❑ Congress should continue its oversight over the industry following up on its hearing by the House Subcommittee on Capital Markets.
- ❑ Proxy advisory firms should be required to disclose if a client is a sponsor or supporter of a shareholder proposal when the firm is making a recommendation.

Accounting and Auditing Standards—B-

101: Accounting and auditing have a unique role in the economy. Unfortunately, for decades, standard setters have been operating under inadequate rules and guidance, resulting in the impairment of financial reporting. Businesses need and want strong financial reporting policies to support the flow of capital to grow and create jobs. Capital will only go where it is welcome and can act with legal certainty. Coupled with a disclosure of the knowable risks involved—financial reporting is a key disseminator of that information. Credible financial reporting, which includes a global corporate financial reporting model, is one of the indispensable, active ingredients for capital formation, which fuels economic growth and job creation.

To bring up the grade, key stakeholders should do the following:

- ❑ The PCAOB should establish a definition of **audit failure** predicated upon materiality and the need to restate financial reports.
- ❑ Regulators on both sides of the Atlantic should abandon **mandatory audit firm rotation**, which would reduce audit quality, diminish the role of audit committees, increase the incidence of undetected fraud, and raise costs.
- ❑ The SEC should require the PCAOB and Financial Accounting Standards Board (FASB) to follow the transparency requirements of the Administrative Procedures Act (APA) and Federal Advisory Committee Act (FACA) when developing standards, and conduct a cost-benefit analysis of proposed standards.
- ❑ The domestic and international standard setters should create a consistent global standard for accounting and auditing so investors around the globe are using the same financial reporting "language" and to ensure that better investment decisions can be made.
- ❑ The SEC should create a financial reporting forum made up of regulators, standard-setters, investors, and businesses to proactively identify problems within the financial reporting system and suggest solutions.
- ❑ Regulators should supplement existing guidance and coordination to ensure that the SEC, FASB, and PCAOB use a common **definition of materiality**.

Fiduciary Standard of Care—I(C)

101: In October 2010, the Department of Labor (DOL) issued proposed rules that modify the definition of a fiduciary under ERISA. In doing so,

the proposal brings IRAs under ERISA's fiduciary regime, and essentially prohibits broker-dealers from servicing IRAs due to variable compensation restrictions. Consequently, investors with smaller account balances will be impacted the most from being denied low cost investment services, including financial education. Fortunately, the proposal was withdrawn in 2012 and DOL is expected to release a re-proposal in late 2014.

On a parallel path in January 2011, the SEC issued a report regarding the obligations of broker dealers and investment advisers when providing personalized investment advice to retail customers recommending a uniform fiduciary standard for broker-dealers and investment advisers. Given the overlapping jurisdictions of the SEC and DOL over investments, without a coordinated effort on their regulatory initiatives, conflicting regulations and investor confusion may result.

The Chamber supports sensible legislative and regulatory approaches to harmonize regulation of investment advisers and broker-dealers under the Investment Advisors Act while preserving choice for investors.

To bring up the grade, key stakeholders should do the following:

- ❑ DOL should preserve individuals' ability to save for retirement through access to affordable retirement saving products and services.
- ❑ The SEC and DOL should coordinate related fiduciary rulemakings to avoid regulatory conflict and stakeholder confusion.
- ❑ DOL should ensure that only plan sponsors and service providers to ERISA-based plans are subject to ERISA's fiduciary duty.
- ❑ Financial professionals should educate retail investors on the distinction between the roles and the fiduciary responsibilities of investment advisors and broker-dealers.

Reforming the U.S. Securities and Exchange Commission— I(C)

101: For more than a decade, SEC regulatory and enforcement structures have failed to keep pace with rapidly changing markets. This can be attributed to structural and managerial inefficiencies at the Commission, rapidly evolving markets, the rise of intense global competition, and other factors. CCMC remains an active and constructive voice for positive change and will continue to work with all those who share the goal of maintaining the U.S. position as the world's preeminent, best-regulated capital market.

To bring up the grade, key stakeholders should do the following:

- ❑ The SEC should enhance the existing enforcement programs to ensure fair and consistent examinations and investigations that lead to more effective regulations and law enforcement.
- ❑ The SEC should develop a bold and clear plan on how to make rulemaking, supervision, inspections, and enforcement operations within SEC more effective.

- ❑ The Chair of the SEC should appoint a deputy chairman to develop and implement a transformational reform plan to break down silos, develop priorities for agency action, and instill managerial accountability and discipline.
- ❑ Congress should link increased funding and resources to timely and clear progress towards achieving the plan.
- ❑ The SEC should put in place procedures to ensure that necessary technology improvements can be effectively incorporated in furthering the SEC's mission.

Preserve Main Street Companies' Ability to Manage Risk and Raise Capital

Main Street companies depend on healthy, vibrant capital markets to support a capital formation system and to provide a diverse set of financial products to create jobs and ultimately drive economic growth. We commend regulators who are striving to rid the system of products and tendencies that lead to the crisis. However, we remained concerned that misaligned regulatory actions could hamper non-financial companies by restricting liquidity, limiting access to credit, or impeding their ability to issue debt.

Derivatives Regulation—I(C+)

101: Corporate treasurers rely on Over-the-Counter (OTC) derivatives to hedge their unique commercial risks, and nearly four years following the passage of Dodd-Frank, critical issues for these end-users remain unresolved. CCMC continues to advocate for measures aimed at reducing systemic risk while preserving the ability of business end-users to use customizable OTC derivatives without the burden of government-imposed margin requirements. Congress has shown strong bipartisan support for creating a clear margin exemption for non-financial end-users by holding regulators accountable and by moving critical, corrective legislation.

To bring up the grade, key stakeholders should do the following:

- ❑ Congress should enact bipartisan legislation (which passed the House 411-12 and has 20 cosponsors in the Senate) to exempt non-financial end-users from onerous, costly, and unnecessary margin requirements, consistent with the Congressional intent when Dodd-Frank was passed.
- ❑ The CFTC should clarify that non-financial companies that use centralized treasury units to hedge risk will be eligible for the end-user clearing exception.
- ❑ The CFTC should limit the extraterritorial reach of domestic derivatives regulation to ensure U.S. dealers are not disadvantaged overseas and to ensure that Main Street non-financial companies' cross-border counterparty relationships are not undermined by overlapping regulation.
- ❑ The Federal Reserve should not limit Bank Holding Companies' authority to engage in commodities activities in a way that impedes end-users' ability to hedge their commodities exposures.

Money Market Mutual Fund Reform—I(C-)

101: Money market mutual funds (MMMFs) play a critical role in meeting the short-term capital and cash flow needs of American businesses. Last summer, the SEC voted affirmatively to propose new regulations for MMMFs that we believe will impair the usefulness of these funds as an efficient cash management tool and vital source of short-term financing for businesses. The Chamber supports reasonable efforts to further strengthen the resiliency of MMMFs, but vigorously opposes reforms that would destroy or severely curtail their utility for companies and other users of money funds. We await the final rule from the SEC sometime this year.

To bring up the grade, key stakeholders should do the following:

- ❑ The SEC should ensure further regulatory changes to MMMFs seek to strengthen these funds while preserving their utility to investors and issuers.
- ❑ The SEC should target reforms so they effectively address clearly defined problems and conduct a thorough analysis of potential reforms to MMMFs to understand the broader economic impacts.
- ❑ The SEC should ensure reforms take into account company specific operational impacts, notably the accounting, tax, and operational issues that would ensue from floating the net asset value.

The Volcker Rule—C

101: The Volcker Rule, Section 619 of Dodd-Frank, bans proprietary trading and certain investments by banks to limit and regulate the amount of risk they can take on. Proprietary trading occurs when a financial firm uses its own funds to trade financial instruments for profit, such as stocks and currencies, and to establish an inventory that enables faster transactions for clients. In December 2013 regulators finalized the Volcker Rule without any economic analysis as required by law. Although the compliance date was postponed until 2015, the Chamber has concerns with both the process the Rule was completed and with the substance of the rule. In particular, we believe the final rule will impact liquidity in the capital markets and the market-making capabilities of financial institutions, thereby adversely impacting Main Street businesses.

To bring up the grade, key stakeholders should do the following:

- ❑ Regulators should establish a marketplace participants working group to work with regulators to identify unintended consequences and craft effective solutions before the end of the conformance period.
- ❑ The five separate regulators should harmonize the enforcement, interpretation, and implementation of the Volcker Rule.

Strengthen the Overall System while Allowing Responsible Risk-Taking

We are managing a comprehensive campaign explaining why healthy and vibrant capital markets are the keystone to economic growth and job creation. Simply put, without a diverse and vibrant supply of both capital and capital providers, who are allowed to take risks, we cannot have a successful economy.

Domestic and international regulators are determined to rid the system and individual institutions of any activity that they deem as risky. Unfortunately, this approach is not happening in a vacuum. At the same time, financial institutions are facing an onslaught of regulations to ensure they are capitalized and safeguarded from any vulnerability. This combination restricts the financial system's ability to support economic growth by hamstringing institutions' ability to serve Main Street businesses.

Given these developments, the critical challenge for policymakers is to chart a new course. This requires adopting modern legal and regulatory rules, systems, and structures to support today's financial services activity. It also requires a new era of engagement with the international community to ensure that we creating a coordinated financial regulatory structure that creates workable rules. By promoting a modern and effective regulatory structure that supports appropriate risk-taking, CCMC helps ensure that our capital markets can fully function in a 21st century economy.

Financial Stability Oversight Council and Systemic Risk Designation —I(P-)

101: Established by Dodd-Frank, the Financial Stability Oversight Council (FSOC) is tasked with monitoring and identifying threats to the stability of the U.S. financial system, as well as coordinating activities of the various regulatory agencies to prevent duplication and stop turf battles. Specifically, FSOC has the authority to designate banks and non-bank financial companies as systemically important financial institutions (SIFIs). After designation, SIFIs are subject to enhanced prudential standards and supervision by the Federal Reserve. While the FSOC finalized its rule and accompanying guidelines regarding SIFI designation, due process is still lacking, and it remains unanswered how companies can become un-designated. Despite an incomplete regulatory regime, the FSOC is already designating non-bank financial companies, which the CCMC has strongly questioned. Until all systemic risk rules are put into place, CCMC believes that it is premature for FSOC to begin designations.

To bring up the grade, key stakeholders should do the following:

- ❑ FSOC should create a path for un-designation. The FSOC should determine the appropriate criteria and processes for nonbank SIFIs to reverse their designation and no longer be subject to enhanced prudential standards and heightened supervision by the Federal Reserve.

- ❑ FSOC should support efforts to increase transparency when it acts in a regulatory capacity to ensure the Council benefits from public input to achieve a better regulatory outcome.
- ❑ FSOC should be empowered to streamline or eliminate duplicative regulatory regimes and harmonize conflicting regulations among agencies. For example, limit the extent that regulators continue to issue divergent and conflicting regulations.
- ❑ Congress should reform the FSOC structure so the view of the agency and not the individual FSOC member is represented on the Council.
- ❑ Congress should change the voting threshold to an affirmative vote of at least three quarters of the FSOC and strengthen the role of the primary regulator in the systemic risk process.
- ❑ Congress should require a cost-benefit analysis to be performed by FSOC when the Council votes to proceed with a SIFI designation or any other regulation.

Federal Reserve's Systemic Risk Regime —I(P-)

In addition to enhanced supervision of large bank holding companies, the Federal Reserve is charged with regulating firms designated as SIFIs in order to address systemic risk issues. In this capacity, the Federal Reserve has finalized the flawed definition of "predominantly engaged in financial activities." However, the rule outlining the enhanced prudential standard that details the consequences of designation for non-bank financial companies is still unwritten. The Federal Reserve also claims, despite Congressional statements to the contrary, that it must use Basel III bank capital standards as a toll for non-bank financial companies.

To bring up the grade, key stakeholders should do the following:

- ❑ FSOC and the Federal Reserve should ensure that systemic risk regulation and orderly liquidation authority for non-bank financial companies are not bank-centric but are tailored to the business model of a specific company to prevent policies that may cause unnecessary market disruptions.
- ❑ The Federal Reserve, in its capacity as a regulator, should abide by statutorily required rule-writing processes, such as the Riegle Act, so the processes can be fair, transparent and result in well-crafted rules to ensure efficient capital markets.

Office of Financial Research's Evidence-Based Analysis —I(P)

Although Congress anticipated the need for the FSOC to have access to independent, rigorous data and analytical insights to inform its decision making by creating the Office of Financial Research (OFR), this new office has fallen far short of functioning in this role. Additionally, the OFR is responsible for monitoring the domestic and global economy to spot potential areas of systemic risk and warn the financial regulatory apparatus and Congress of potential threats to the economy.

To bring up the grade, key stakeholders should do the following:

- ❑ OFR should improve the quality and process of its analyses and reports to better inform the FSOC. For example, OFR should undergo a notice-and-comment process to help inform research.
- ❑ FSOC should ensure that the OFR coordinates and streamlines data collection among agencies to prevent duplicative collection of information and safeguard the confidentiality of proprietary and consumer information gathered from requests and examinations across all regulators.
- ❑ Congress should implement oversight by bringing the OFR's budget within the formal appropriations process.

Basel III / Capital Standards—I(C-)

101: Basel III is a global regulatory standard on bank capital adequacy, stress testing, and market liquidity risk, agreed upon by the members of the Basel Committee on Banking Supervision that strengthens bank capital requirements and introduces new regulatory requirements on bank liquidity and bank leverage.

CCMC believes that appropriate capital requirements are necessary to promote financial stability, while excessive requirements would reduce the lending needed to fuel growth and innovation in the overall economy. However, the proposed capital surcharges come in addition to the Volcker Rule and other Dodd-Frank provisions including derivatives regulation, resolution authority, and systemic risk regulation. These, in addition to other capital requirements, could place American financial institutions at a competitive disadvantage.

To bring up the grade, key stakeholders should do the following:

- ❑ The Federal Reserve should undertake a study, both domestically and internationally, to ascertain the potential impacts of capital requirements upon the financial system and economy as a whole before any proposals are implemented. Such a study should also look at regulations recently enacted or proposed to determine how they interact with one another and the cumulative impact on capital formation.
- ❑ The Federal Reserve should craft capital adequacy standards that make good economic sense for banks, as well as their non-bank financial company consumers.
- ❑ The Federal Reserve should ensure that the Basel III rules are applied consistently on an international basis.
- ❑ The Federal Reserve should work with the Basel Committee to simplify capital standards so they are understandable to the marketplace and easier to enforce.
- ❑ The Federal Reserve should urge the Basel Committee to proceed with caution and take into account both the current and impending financial reforms impacting the banking industry in the United States and abroad.

International Coordination—I(C-)

101: In a growing global marketplace, there is increasing importance for coordinating with international counterparts. There is a danger that U.S. federal regulators are de-globalizing financial markets at the same time that businesses are engaged in global activities on an unprecedented scale. The Chamber is committed to pushing back on policies that would obstruct the flow of capital, deprive businesses of services needed to operate internationally, and restrict the ability to mitigate the risks associated with cross-border activities.

To bring up the grade, key stakeholders should do the following:

- ❑ Regulators should ensure greater regulatory coordination on key areas of financial regulation, such as derivatives and systemic risk to ensure a level playing field and globally compatible approaches to regulation when appropriate.
- ❑ Regulators should prevent protectionist policies that will de-globalize financial markets in a global economy.
- ❑ Regulators should end efforts to apply domestic regulations extraterritorially and create mechanisms to ensure effective coordination among international regulators to resolve cross-border issues.

The U.S. Chamber of Commerce Center for Capital Markets Competitiveness is committed to exposing the weaknesses in our system and will continue to work toward crafting long-term solutions that bring up the grade and restore U.S. leadership in the global capital markets.

CENTER FOR CAPITAL MARKETS COMPETITIVENESS

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COMPETITIVENESS

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