

that the report assesses a forward-looking statement made by the issuer; or

(F) a statement containing a projection or estimate of such other items as may be specified by rule or regulation of the Commission.

**(2) Investment company**

The term “investment company” has the same meaning as in section 80a-3(a) of this title.

**(3) Penny stock**

The term “penny stock” has the same meaning as in section 78c(a)(51) of this title, and the rules and regulations, or orders issued pursuant to that section.

**(4) Going private transaction**

The term “going private transaction” has the meaning given that term under the rules or regulations of the Commission issued pursuant to section 78m(e) of this title.

**(5) Securities laws**

The term “securities laws” has the same meaning as in section 78c of this title.

**(6) Person acting on behalf of an issuer**

The term “person acting on behalf of an issuer” means an officer, director, or employee of the issuer.

**(7) Other terms**

The terms “blank check company”, “rollup transaction”, “partnership”, “limited liability company”, “executive officer of an entity” and “direct participation investment program”, have the meanings given those terms by rule or regulation of the Commission.

(May 27, 1933, ch. 38, title I, §27A, as added Pub. L. 104-67, title I, §102(a), Dec. 22, 1995, 109 Stat. 749; amended Pub. L. 105-353, title III, §301(a)(5), Nov. 3, 1998, 112 Stat. 3235; Pub. L. 111-203, title IX, §985(a)(4), July 21, 2010, 124 Stat. 1933.)

AMENDMENTS

2010—Subsec. (c)(1)(B)(ii). Pub. L. 111-203 substituted comma for semicolon after “entity” in introductory provisions.

1998—Pub. L. 105-353 made technical correction relating to placement of section in subchapter.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective 1 day after July 21, 2010, except as otherwise provided, see section 4 of Pub. L. 111-203, set out as an Effective Date note under section 5301 of Title 12, Banks and Banking.

EFFECTIVE DATE

Section not to affect or apply to any private action arising under this subchapter or title I of the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), commenced before and pending on Dec. 22, 1995, see section 108 of Pub. L. 104-67, set out as an Effective Date of 1995 Amendment note under section 77l of this title.

CONSTRUCTION

Nothing in section deemed to create or ratify any implied right of action, or to prevent Commission, by rule or regulation, from restricting or otherwise regulating private actions under Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), see section 203 of Pub. L. 104-67, set out as a note under section 78j-1 of this title.

**§ 77z-2a. Conflicts of interest relating to certain securitizations**

**(a) In general**

An underwriter, placement agent, initial purchaser, or sponsor, or any affiliate or subsidiary of any such entity, of an asset-backed security (as such term is defined in section 78c of this title, which for the purposes of this section shall include a synthetic asset-backed security), shall not, at any time for a period ending on the date that is one year after the date of the first closing of the sale of the asset-backed security, engage in any transaction that would involve or result in any material conflict of interest with respect to any investor in a transaction arising out of such activity.

**(b) Rulemaking**

Not later than 270 days after July 21, 2010, the Commission shall issue rules for the purpose of implementing subsection (a).

**(c) Exception**

The prohibitions of subsection (a) shall not apply to—

(1) risk-mitigating hedging activities in connection with positions or holdings arising out of the underwriting, placement, initial purchase, or sponsorship of an asset-backed security, provided that such activities are designed to reduce the specific risks to the underwriter, placement agent, initial purchaser, or sponsor associated with positions or holdings arising out of such underwriting, placement, initial purchase, or sponsorship; or

(2) purchases or sales of asset-backed securities made pursuant to and consistent with—

(A) commitments of the underwriter, placement agent, initial purchaser, or sponsor, or any affiliate or subsidiary of any such entity, to provide liquidity for the asset-backed security, or

(B) bona fide market-making in the asset backed security.

**(d) Rule of construction**

This subsection<sup>1</sup> shall not otherwise limit the application of section 78o-11 of this title.

(May 27, 1933, ch. 38, title I, §27B, as added Pub. L. 111-203, title VI, §621(a), July 21, 2010, 124 Stat. 1631.)

EFFECTIVE DATE

Pub. L. 111-203, title VI, §621(b), July 21, 2010, 124 Stat. 1632, provided that: “Section 27B of the Securities Act of 1933 [15 U.S.C. 77z-2a], as added by this section, shall take effect on the effective date of final rules issued by the [Securities and Exchange] Commission under subsection (b) of such section 27B, except that subsections (b) and (d) of such section 27B shall take effect on the date of enactment of this Act [July 21, 2010].”

**§ 77z-3. General exemptive authority**

The Commission, by rule or regulation, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of this sub-

<sup>1</sup> So in original. Probably should be “section”.