

Joint Press Release

Board of Governors of the Federal Reserve System
Office of the Comptroller of the Currency
Federal Deposit Insurance Corporation
Federal Housing Finance Agency
Farm Credit Administration

For release at 4:00 p.m. EDT

August 1, 2016

Agencies Finalize Rule Exempting Certain Commercial and Financial End Users from Initial and Variation Margin Requirements

Five federal agencies today announced a final rule exempting certain commercial and financial end users from margin requirements for certain swaps not cleared through a clearinghouse. The exemptions were first adopted by interim final rule published in the Federal Register in November 2015 with a request for public comment. The final rule discusses the comments received and adopts the earlier interim final rule as final without change.

In a separate rulemaking published in November 2015, the Federal Reserve Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, and the Farm Credit Administration established initial and variation margin requirements for non-cleared swaps, as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The final rule being announced today exempts from the agencies' margin requirements the non-cleared swaps of commercial end users, small banks, savings associations, Farm Credit System institutions, and credit unions with \$10 billion or less in total assets. Additionally, the non-cleared swaps of certain treasury affiliates, certain financial cooperatives, and captive finance companies also are exempted from the agencies' margin requirements. In all cases, the non-cleared swaps must hedge or mitigate commercial risk of these counterparties and satisfy the rule's requirements for an exemption from mandatory clearing.

The final rule implements a law passed by the U.S. Congress in January 2015.

[Final Rule \(PDF\)](#)

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