

AMENDMENT NO. 28

Calendar No. \_\_\_\_\_

Purpose: To improve the bill.

**IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.**

**H. R. 3633**

To provide for a system of regulation of the offer and sale of digital commodities by the Securities and Exchange Commission and the Commodity Futures Trading Commission, to amend the Federal Reserve Act to prohibit the Federal reserve banks from offering certain products or services directly to an individual, to prohibit the use of central bank digital currency for monetary policy, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. VAN HOLLEN to the amendment (No. \_\_\_\_\_) proposed by Mr. SCOTT of South Carolina

Viz:

1 At the appropriate place in title I, insert the following:  
2

3 **SEC. 1. \_\_\_\_\_ . PROHIBITION ON INSIDER SELF-DEALING.**

4 (a) DUTY OF LOYALTY.—An ancillary asset originator and a related person shall act in good faith and in the best interests of holders of the ancillary asset with respect to which the person is an ancillary asset originator or a related person.  
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1 (b) PROHIBITION.—It shall be unlawful for an ancil-  
2 lary asset originator or a related person to engage in any  
3 act, transaction, or course of dealing that operates to ben-  
4 efit that ancillary asset originator or related person at the  
5 expense of holders of the ancillary asset with respect to  
6 which the person is an ancillary asset originator or a re-  
7 lated person.

8 (c) SAFE HARBORS.—

9 (1) IN GENERAL.—Notwithstanding subsection  
10 (b), an ancillary asset originator or a related person  
11 may engage in an act, transaction, or course of deal-  
12 ing if—

13 (A) the act, transaction, or course of deal-  
14 ing is approved or ratified by an informed,  
15 uncoerced, affirmative vote of a majority of the  
16 votes cast by disinterested holders of the ancil-  
17 lary asset with respect to which the person is  
18 an ancillary asset originator or a related per-  
19 son;

20 (B) the ancillary asset originator or related  
21 person has, in a reasonable period before the  
22 vote described in subparagraph (A)—

23 (i) filed with the Commission such  
24 material information regarding the act,  
25 transaction, or course of dealing as the

1 Commission shall by rule determine to be  
2 in the public interest or for the protection  
3 of investors; and

4 (ii) made the filing described in clause  
5 (i) reasonably available to disinterested  
6 holders of the ancillary asset; or

7 (C) the act, transaction, or course of deal-  
8 ing is fair as to the holders of the ancillary  
9 asset with respect to which the person is an an-  
10 cillary asset originator or a related person.

11 (2) RULES.—The Commission may issue rules  
12 the Commission determines necessary or appropriate  
13 in the public interest or for the protection of inves-  
14 tors to provide for additional safe harbors from the  
15 prohibition in subsection (b).

16 (d) ENFORCEMENT.—

17 (1) IN GENERAL.—A person may bring an ac-  
18 tion in any court of competent jurisdiction for any  
19 violation of this section in connection with an ancil-  
20 lary asset purchased or acquired by the person.

21 (2) AUTHORITY.—The Commission may exer-  
22 cise any authority provided under the Securities Ex-  
23 change Act of 1934 (15 U.S.C. 78a et seq.) to en-  
24 force this section as if a violation of this section  
25 were a violation of that Act.

1       (e) RULE OF CONSTRUCTION.—The prohibition in  
2 subsection (b) shall not be construed to limit the duty de-  
3 scribed in subsection (a).

4       (f) DEFINITION.—In this section, the term “related  
5 person” includes a decentralized governance system.