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§ 3201. Definitions

As used in this chapter—

(1) the term “depository institution” means a commercial bank, a savings bank, a trust company, a savings and loan association, a building and loan association, a homestead association, a cooperative bank, an industrial bank, or a credit union;

(2) the term “depository holding company” means a bank holding company as defined in section 1841(a) of this title, a company which would be a bank holding company as defined in section 1841(a) of this title but for the exemption contained in subsection (a)(5)(F) thereof, or a savings and loan holding company as defined in section 1730a(a)(1)(D)¹ of this title;

(3) the characterization of any corporation (including depository institutions and depository holding companies), as an “affiliate of,” or as “affiliated” with any other corporation means that—

(A) one of the corporations is a depository holding company and the other is a subsidiary thereof, or both corporations are subsidiaries of the same depository holding company, as the term “subsidiary” is defined in either section 1841(d) of this title in the case of a bank holding company or section 1730a(a)(1)(H)¹ of this title in the case of a savings and loan holding company; or

(B) more than 25 percent of the voting stock of one corporation is beneficially owned in the aggregate by one or more persons who also beneficially own in the aggregate more than 25 percent of the voting stock of the other corporation; or

(C) one of the corporations is a trust company all of the stock of which, except for directors qualifying shares, was owned by one or more mutual savings banks on November 10, 1978, and the other corporation is a mutual savings bank; or

(D) one of the corporations is a bank, insured by the Federal Deposit Insurance Corporation and chartered under State law, and is a bankers’ bank, described in Paragraph Seventh of section 24 of this title; or

(E) one of the corporations is a bank, chartered under State law and insured by the Federal Deposit Insurance Corporation, the voting securities of which are held only by persons who are officers of other banks, as permitted by State law, and which bank is primarily engaged in providing banking services for other banks and not the public;

Provided, however, That in no case shall the voting securities of such corporation be held by such officers of other banks in excess of 6 per centum of the paid-in capital and 6 per centum of the surplus of such a bank.²

(4) the term “management official” means an employee or officer with management functions, a director (including an advisory or honorary director, except in the case of a depository institution with total assets of less than \$100,000,000), a trustee of a business organization under the control of trustees, or any person who has a representative or nominee serving in any such capacity: *Provided,* That if a corporator, trustee, director, or other officer of a State-chartered savings bank or cooperative bank is specifically authorized under the laws of the State in which said institution is located to serve as a trustee, director, or other officer of a State-chartered trust company which does not make real estate mortgage loans and does not accept savings deposits from natural persons, then, for the purposes of this chapter, such corporator, trustee, director, or other officer shall not be deemed to be a management official of such trust company: *And provided further,* That if a management official of a State-chartered trust company which does not make real estate mortgage loans and does not accept savings deposits from natural persons is specifically authorized under the laws of the State in which said institution is located to serve as a corporator, trustee, director, or other officer of a State-chartered savings bank or cooperative bank, then, for the purposes of this chapter, such management official shall not be deemed to be a management official of any such savings bank or cooperative bank;

(5) the term “office” used with reference to a depository institution means either a principal office or a branch; and

(6) the term “appropriate Federal depository institutions regulatory agency” means, with respect to any depository institution or depository holding company, the agency referred to in section 3207 of this title in connection with such institution or company.

(Pub. L. 95-630, title II, §202, Nov. 10, 1978, 92 Stat. 3672; Pub. L. 100-650, §§2, 3, 5(b)(1), Nov. 10, 1988, 102 Stat. 3819, 3820; Pub. L. 103-325, title III, §322(c)(2), Sept. 23, 1994, 108 Stat. 2227.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title II of Pub. L. 95-630, Nov. 10, 1978, 92 Stat. 3672, known as the Depository Institution Management Interlocks Act, which enacted this chapter, amended sections 1464, 1730, and 1818 of this title, and enacted provisions set out as a note below. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

Section 1730a of this title, referred to in pars. (2) and (3)(A), was repealed by Pub. L. 101-73, title IV, §407, Aug. 9, 1989, 103 Stat. 363.

AMENDMENTS

1994—Par. (3)(D). Pub. L. 103-325 substituted “and is a bankers’ bank, described in Paragraph Seventh of sec-

¹ See References in Text note below.

² So in original. The period probably should be a semicolon.

tion 24 of this title; or” for “the voting securities of which are held by other banks, as permitted by State law, and which bank is primarily engaged in providing banking services for other banks and not the public: *Provided, however,* That in no case shall the voting securities of such corporation be held by any such other bank in excess of 5 per centum of the paid-in capital and 5 per centum of the surplus of such other bank; or”.

1988—Par. (3)(B). Pub. L. 100-650, § 2, substituted “25 percent” for “50 per centum” in two places.

Par. (4). Pub. L. 100-650, § 3, substituted “(including an advisory or honorary director, except in the case of a depository institution with total assets of less than \$100,000,000)” for “(including an advisory or honorary director)”.

Par. (6). Pub. L. 100-650, § 5(b)(1), added par. (6).

EFFECTIVE DATE

Chapter effective upon the expiration of 120 days after Nov. 10, 1978, see section 2101 of Pub. L. 95-630, set out as an Effective Date note under section 375b of this title.

SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100-650, § 1, Nov. 10, 1988, 102 Stat. 3819, provided that: “This Act [amending sections 3201, 3204, and 3205 of this title] may be referred to as the ‘Management Interlocks Revision Act of 1988.’”

SHORT TITLE

Pub. L. 95-630, title II, § 201, Nov. 10, 1978, 92 Stat. 3672, provided that: “This title [enacting this chapter and amending sections 1464, 1730, and 1818 of this title] may be cited as the ‘Depository Institution Management Interlocks Act.’”

§ 3202. Dual service of management official as management official of unaffiliated institution or holding company in same area, town, or village prohibited

A management official of a depository institution or a depository holding company may not serve as a management official of any other depository institution or depository holding company not affiliated therewith if an office of one of the institutions or any depository institution that is an affiliate of such institutions is located within either—

(1) the same primary metropolitan statistical area, the same metropolitan statistical area, or the same consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas as defined by the Office of Management and Budget, except in the case of depository institutions with less than \$50,000,000 in assets in which case the provision of paragraph (2) shall apply, as that in which an office of the other institution or any depository institution that is an affiliate of such other institution is located, or

(2) the same city, town, or village as that in which an office of the other institution or any depository institution that is an affiliate of such other institution is located, or in any city, town, or village contiguous or adjacent thereto.

(Pub. L. 95-630, title II, § 203, Nov. 10, 1978, 92 Stat. 3673; Pub. L. 98-181, title I [title VII, § 701(c)], Nov. 30, 1983, 97 Stat. 1267; Pub. L. 109-351, title VI, § 610, Oct. 13, 2006, 120 Stat. 1984.)

AMENDMENTS

2006—Par. (1). Pub. L. 109-351 substituted “\$50,000,000” for “\$20,000,000”.

1983—Par. (1). Pub. L. 98-181 substituted “primary metropolitan statistical area, the same metropolitan statistical area, or the same consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas” for “standard metropolitan statistical area”.

§ 3203. Dual service of management official of \$2,500,000,000 institution or holding company as management official of unaffiliated \$1,500,000,000 institution or holding company prohibited

If a depository institution or a depository holding company has total assets exceeding \$2,500,000,000, a management official of such institution or any affiliate thereof may not serve as a management official of any other non-affiliated depository institution or depository holding company having total assets exceeding \$1,500,000,000 or as a management official of any affiliate of such other institution. In order to allow for inflation or market changes, the appropriate Federal depository institutions regulatory agencies may, by regulation, adjust, as necessary, the amount of total assets required for depository institutions or depository holding companies under this section.

(Pub. L. 95-630, title II, § 204, Nov. 10, 1978, 92 Stat. 3673; Pub. L. 104-208, div. A, title II, § 2210(a), Sept. 30, 1996, 110 Stat. 3009-409.)

AMENDMENTS

1996—Pub. L. 104-208 substituted “\$2,500,000,000” for “\$1,000,000,000” and “\$1,500,000,000” for “\$500,000,000” and inserted at end “In order to allow for inflation or market changes, the appropriate Federal depository institutions regulatory agencies may, by regulation, adjust, as necessary, the amount of total assets required for depository institutions or depository holding companies under this section.”

§ 3204. Exceptions

The prohibitions contained in sections 3202 and 3203 of this title shall not apply in the case of any one or more of the following or subsidiary thereof:

(1) A depository institution or depository holding company which has been placed formally in liquidation, or which is in the hands of a receiver, conservator, or other official exercising a similar function.

(2) A corporation operating under section 25 or 25(a)¹ of the Federal Reserve Act [12 U.S.C. 601 et seq., 611 et seq.].

(3) A credit union being served by a management official of another credit union.

(4) A depository institution or depository holding company which does not do business within any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands except as an incident to its activities outside the United States.

(5) A State-chartered savings and loan guaranty corporation.

(6) A Federal Home Loan Bank or any other bank organized specifically to serve depository institutions.

(7) A depository institution or a depository holding company which—

¹ See References in Text note below.