extent to which the United States shall be a participant in and an exhibitor at Interama; and

(2) to make available to the head of the designated department or agency, on a reimbursable basis, such personnel as may be necessary to assist him in carrying out his functions under this Act.

Appropriation.

SEC. 5. (a) There is authorized to be appropriated not to exceed $7,500,000 to provide for United States participation in Interama under this Act, of which not to exceed $250,000 shall be available for expenditure in connection with the preparation of the report required to be submitted to the Congress under section 2(b) of this Act. Sums appropriated under this subsection shall remain available until expended.

(b) In addition to the amount authorized in subsection (a), there is authorized to be appropriated not to exceed $1,000,000 annually for each of the fiscal years 1968 and 1969 for the maintenance of United States installations and activities at Interama.

Approved February 19, 1966.

Public Law 89-356

AN ACT

February 21, 1966
[S. 1698]

To establish a procedure for the review of proposed bank mergers so as to eliminate the necessity for the dissolution of merged banks, and for other purposes.

Bank mergers.
64 Stat. 892.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended to read:

"(c)(1) Except with the prior written approval of the responsible agency, which shall in every case referred to in this paragraph be the Corporation, no insured bank shall—

"(A) merge or consolidate with any noninsured bank or institution;

"(B) assume liability to pay any deposits made in, or similar liabilities of, any noninsured bank or institution;

"(C) transfer assets to any noninsured bank or institution in consideration of the assumption of liabilities for any portion of the deposits made in such insured bank.

"(2) No insured bank shall merge or consolidate with any other insured bank or, either directly or indirectly, acquire the assets of, or assume liability to pay any deposits made in, any other insured bank except with the prior written approval of the responsible agency, which shall be—

"(A) the Comptroller of the Currency if the acquiring, assuming, or resulting bank is to be a national bank or a District bank;

"(B) the Board of Governors of the Federal Reserve System if the acquiring, assuming, or resulting bank is to be a State member bank (except a District bank);

"(C) the Corporation if the acquiring, assuming, or resulting bank is to be a nonmember insured bank (except a District bank).

Notice of proposed merger transactions.

"(3) Notice of any proposed transaction for which approval is required under paragraph (1) or (2) (referred to hereafter in this subsection as a 'merger transaction') shall, unless the responsible agency finds that it must act immediately in order to prevent the probable failure of one of the banks involved, be published—

"(A) prior to the granting of approval of such transaction,

"(B) in a form approved by the responsible agency,

"(C) at appropriate intervals during a period at least as long

as the period allowed for furnishing reports under paragraph (4) of this subsection, and

"(D) in a newspaper of general circulation in the community or communities where the main offices of the banks involved are located, or, if there is no such newspaper in any such community, then in the newspaper of general circulation published nearest thereto.

Attorney General. Reports on competitive factors.

"(4) In the interests of uniform standards, before acting on any application for approval of a merger transaction, the responsible agency, unless it finds that it must act immediately in order to prevent the probable failure of one of the banks involved, shall request reports on the competitive factors involved from the Attorney General and the other two banking agencies referred to in this subsection. The reports shall be furnished within thirty calendar days of the date on which they are requested, or within ten calendar days of such date if the requesting agency advises the Attorney General and the other two banking agencies that an emergency exists requiring expeditious action.

"(5) The responsible agency shall not approve—

"(A) any proposed merger transaction which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

"(B) any other proposed merger transaction whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

In every case, the responsible agency shall take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served.

Notification of Attorney General.

"(6) The responsible agency shall immediately notify the Attorney General of any approval by it pursuant to this subsection of a proposed merger transaction. If the agency has found that it must act immediately to prevent the probable failure of one of the banks involved and reports on the competitive factors have been dispensed with, the transaction may be consummated immediately upon approval by the agency. If the agency has advised the Attorney General and the other two banking agencies of the existence of an emergency requiring expeditious action and has requested reports on the competitive factors within ten days, the transaction may not be consummated before the fifth calendar day after the date of approval by the agency. In all other cases, the transaction may not be consummated before the thirtieth calendar day after the date of approval by the agency.

"(7)(A) Any action brought under the antitrust laws arising out of a merger transaction shall be commenced prior to the earliest time under paragraph (6) at which a merger transaction approved under paragraph (5) might be consummated. The commencement of such an action shall stay the effectiveness of the agency's approval unless the court shall otherwise specifically order. In any such action, the court shall review de novo the issues presented.

"(B) In any judicial proceeding attacking a merger transaction approved under paragraph (5) on the ground that the merger transaction alone and of itself constituted a violation of any antitrust laws

other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), the standards applied by the court shall be identical with those that the banking agencies are directed to apply under paragraph (5). 26 Stat. 209.

"(C) Upon the consummation of a merger transaction in compliance with this subsection and after the termination of any antitrust litigation commenced within the period prescribed in this paragraph, or upon the termination of such period if no such litigation is commenced therein, the transaction may not thereafter be attacked in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), but nothing in this subsection shall exempt any bank resulting from a merger transaction from complying with the antitrust laws after the consummation of such transaction.

"(D) In any action brought under the antitrust laws arising out of a merger transaction approved by a Federal supervisory agency pursuant to this subsection, such agency, and any State banking supervisory agency having jurisdiction within the State involved, may appear as a party of its own motion and as of right, and be represented by its counsel.

"(8) For the purposes of this subsection, the term 'antitrust laws' means the Act of July 2, 1890 (the Sherman Antitrust Act, 15 U.S.C. 1–7), the Act of October 15, 1914 (the Clayton Act, 15 U.S.C. 12–27), and any other Acts in pari materia. "Antitrust laws." 26 Stat. 209. 38 Stat. 730.

"(9) Each of the responsible agencies shall include in its annual report to the Congress a description of each merger transaction approved by it during the period covered by the report, along with the following information: Report to Congress.

"(A) the name and total resources of each bank involved;

"(B) whether a report was submitted by the Attorney General under paragraph (4), and, if so, a summary by the Attorney General of the substance of such report; and

"(C) a statement by the responsible agency of the basis for its approval."

(b) Section 18 of such Act is further amended by adding at the end thereof the following new subsection: 64 Stat. 891. 12 USC 1828.

"(i) (1) No insured State nonmember bank (except a District bank) shall, without the prior consent of the Corporation, reduce the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures. Reduction of capital. Restrictions.

"(2) No insured bank shall convert into an insured State bank if its capital stock or its surplus will be less than the capital stock or surplus, respectively, of the converting bank at the time of the shareholder's meeting approving such conversion, without the prior written consent of— Conversions.

"(A) the Comptroller of the Currency if the resulting bank is to be a District bank;

"(B) the Board of Governors of the Federal Reserve System if the resulting bank is to be a State member bank (except a District bank);

"(C) the Corporation if the resulting bank is to be a State nonmember insured bank (except a District bank).

"(3) Without the prior written consent of the Corporation, no insured bank shall convert into a noninsured bank or institution.

"(4) In granting or withholding consent under this subsection, the responsible agency shall consider—

"(A) the financial history and condition of the bank,

"(B) the adequacy of its capital structure,

"(C) its future earnings prospects,
"(D) the general character of its management,
"(E) the convenience and needs of the community to be served, and
"(F) whether or not its corporate powers are consistent with the purposes of this Act."

Prior mergers.

SEC. 2. (a) Any merger, consolidation, acquisition of assets, or assumption of liabilities involving an insured bank which was consummated prior to June 17, 1963, the bank resulting from which has not been dissolved or divided and has not effected a sale or distribution of assets and has not taken any other similar action pursuant to a final judgment under the antitrust laws prior to the enactment of this Act, shall be conclusively presumed to have not been in violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2).

(b) No merger, consolidation, acquisition of assets, or assumption of liabilities involving an insured bank which was consummated after June 16, 1963, and prior to the date of enactment of this Act and as to which no litigation was initiated by the Attorney General prior to the date of enactment of this Act may be attacked after such date in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2).

26 Stat. 209.

(c) Any court having pending before it on or after the date of enactment of this Act any litigation initiated under the antitrust laws by the Attorney General after June 16, 1963, with respect to the merger, consolidation, acquisition of assets, or assumption of liabilities of an insured bank consummated after June 16, 1963, shall apply the substantive rule of law set forth in section 18(c)(5) of the Federal Deposit Insurance Act, as amended by this Act.

"Antitrust laws."

(d) For the purposes of this section, the term "antitrust laws" means the Act of July 2, 1890 (the Sherman Antitrust Act, 15 U.S.C. 1–7), the Act of October 15, 1914 (the Clayton Act, 15 U.S.C. 12–27), and any other Acts in pari materia.

38 Stat. 730.

SEC. 3. Any application for approval of a merger transaction (as the term "merger transaction" is used in section 18(c) of the Federal Deposit Insurance Act) which was made before the date of enactment of this Act, but was withdrawn or abandoned as a result of any objections made or any suit brought by the Attorney General, may be reinstituted and shall be acted upon in accordance with the provisions of this Act without prejudice by such withdrawal, abandonment, objections, or judicial proceedings.

12 USC 1828.

Approved February 21, 1966.

Public Law 89-357

March 1, 1966
[H. J. Res. 403]

JOINT RESOLUTION

Authorizing an appropriation to enable the United States to extend an invitation to the World Health Organization to hold the Twenty-second World Health Assembly in Boston, Massachusetts, in 1969.

Whereas the Twenty-second World Health Assembly is scheduled to be held in 1969; and

Whereas the year 1969 is considered particularly appropriate for holding the assembly in Boston, Massachusetts, since that year will mark the centennial of the establishment of the first modern State public health department in Massachusetts in 1869; and 1969 also