AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 10
OFFERED BY MR. FASO OF NEW YORK

Add at the end of title V the following new subtitle:

Subtitle T—Dividend Waiver Authority for Mutual Holding Companies

SEC. 596. DIVIDEND WAIVER AUTHORITY FOR MUTUAL HOLDING COMPANIES.

Section 10(o)(11) of the Home Owners’ Loan Act (12 U.S.C. 1467a(o)(11)) is amended—

(1) in subparagraph (D)—

(A) in clause (i), by adding “and” at the end;

(B) in clause (ii), by striking “; and” and inserting a period; and

(C) by striking clause (iii);

(2) by amending subparagraph (E) to read as follows:

“(E) VALUATION.—The appropriate Federal banking agency may not consider waived dividends in determining an appropriate ex-
change ratio in the event of a full conversion to stock form.”; and

(3) by adding at the end the following new sub-
paragraph:

“(F) Rule of construction.—Nothing in this paragraph shall be construed to authorize the appropriate Federal banking agency to require a vote of members of a mutual holding company to approve one or more dividend waivers or to place any additional restrictions on dividend waivers by mutual holding companies that are inconsistent with or exceed the require-
ments set forth in this paragraph.”.