

*Fraser Sales*

PROPOSED AMENDMENTS TO BANK HOLDING COMPANY BILL (S. 2318)

I. Amend subsection (a) of section 2 by inserting between the first and second paragraphs thereof a new paragraph reading as follows:

Notwithstanding the foregoing, no company shall be a bank holding company by reason of the fact that one bank (or stockholders of such bank or trustees for their benefit) owns, controls, or holds voting shares, or exercises a controlling influence over the management or policies, of one other bank, if the principal offices of both banks are located in the same municipality and one of them is a trust company principally engaged in trust business, is not substantially engaged in commercial banking business, and operates no branches outside of such municipality.

II. Amend the first sentence of subsection (b) of section 2 to read as follows:

"Bank" means any national bank, or any State bank, banking association, savings bank, or trust company, but shall not include any organization operating under section 25 or 25(a) of the Federal Reserve Act or any organization which does not do business within the United States.

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