loan associations the deposits or accounts of which are insured by the Federal Savings and Loan Insurance Corporation were permitted to pay on such category of deposits immediately prior to the elimination or reduction of such interest rate differential.

**States Having Constitutional Provisions Regarding Maximum Interest Rates**

Section 213 of Pub. L. 96-161 provided that the provisions of title II of Pub. L. 96-161, which enacted subsec. (k) of this section and repealed provisions which had formerly amended this section, to continue to apply until July 1, 1981, in the case of any State having a constitutional provision regarding maximum interest rates.

**Interest Rates; Controls**

Reduction of interest rates to maximum extent feasible in light of prevailing money market and general economic conditions, see section 1 of Pub. L. 89-597, set out as a note under section 461 of this title.

**Reinstatement of Withdrawn or Abandoned Applications Made Before February 21, 1966, for Approval of Mergers**

Section 3 of Pub. L. 89-356 provided that: “Any application for approval of a merger transaction (as the term ‘merged transaction’ is used in section 18(c) of the Federal Deposit Insurance Act) [subsec. (c) of this section] which was made before the date of enactment of this Act [Feb. 21, 1966], but was withdrawn or abandoned as a result of any objections made or any suit brought by the Attorney General, may be reinstated and shall be acted upon in accordance with the provisions of this Act without prejudice by such withdrawal, abandonment, objections, or judicial proceedings.”

**Special Antitrust Treatment of Merger Transactions Consummated Before February 21, 1966, and of Litigation Pending On Or After February 21, 1966, With Respect to Merger Transactions Consummated After June 16, 1963**

Section 2 of Pub. L. 89-356 provided that:

“(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 [Feb. 21, 1966], 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 [Feb. 21, 1966] and as to which no litigation was initiated by the Attorney General prior to the date of enactment of this Act [Feb. 21, 1966] may be attacked after such date 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).

“(c) Any court having pending before it on or after the date of enactment of this Act [Feb. 21, 1966] 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 [subsec. (c)(5) of this section], as amended by this Act.

“(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.”

Cross References

Embezzlement from Federal Deposit Insurance Corporation, see section 657 of Title 18, Crimes and Criminal Procedure.

False advertising of deposit insurance, see section 709 of Title 18.

Jurisdiction of district court of the United States of action for penalty, see section 1355 of Title 28, Judiciary and Judicial Procedure.

**Section Referred to In Other Sections**

This section is referred to in sections 215c, 371, 1464, 1467a, 1468, 1815, 1817, 1818, 1820, 1821, 1823, 1831p-1, 1831u, 2902, 3103, 3502, 4803 of this title; title 15 section 18a.

§ 1829. Penalty for unauthorized participation by convicted individual

(a) Prohibition

(1) In general

Except with the prior written consent of the Corporation—

(A) any person who has been convicted of any criminal offense involving dishonesty or a breach of trust or money laundering, or has agreed to enter into a pretrial diversion or similar program in connection with a prosecution for such offense, may not—

(i) become, or continue as, an institution-affiliated party with respect to any insured depository institution;

(ii) own or control, directly or indirectly, any insured depository institution; or

(iii) otherwise participate, directly or indirectly, in the conduct of the affairs of any insured depository institution; and

(B) any insured depository institution may not permit any person referred to in subparagraph (A) to engage in any conduct or continue any relationship prohibited under such subparagraph.

(2) Minimum 10-year prohibition period for certain offenses

(A) In general

If the offense referred to in paragraph (1)(A) in connection with any person referred to in such paragraph is—

(i) an offense under—

(I) section 215, 656, 657, 1005, 1006, 1007, 1008, 1014, 1032, 1344, 1517, 1956, or 1957 of title 18; or

(II) section 1341 or 1343 of such title which affects any financial institution (as defined in section 20 of such title); or

(ii) the offense of conspiring to commit any such offense, the Corporation may not consent to any exception to the application of paragraph (1) to such person during the 10-year period beginning on the date the conviction or the agreement of the person becomes final.

(B) Exception by order of sentencing court

(i) In general

On motion of the Corporation, the court in which the conviction or the agreement

1 See References in Text note below.
of a person referred to in subparagraph (A) has been entered may grant an exception to the application of paragraph (1) to such person if granting the exception is in the interest of justice.

(ii) Period for filing
A motion may be filed under clause (i) at any time during the 10-year period described in subparagraph (A) with regard to the person on whose behalf such motion is made.

(b) Penalty
Whoever knowingly violates subsection (a) of this section shall be fined not more than $1,000,000 for each day such prohibition is violated or imprisoned for not more than 5 years, or both.


References in Text

Amendments
1990—Subsec. (a). Pub. L. 101–647 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “Except with the prior written consent of the Corporation—

“(1) any person who has been convicted of any criminal offense involving dishonesty or a breach of trust may not participate, directly or indirectly, in any manner in the conduct of the affairs of an insured depository institution; and

“(2) an insured depository institution may not permit such participation.”

1989—Pub. L. 101–73 amended section generally. Prior to amendment, section read as follows: “Except with the written consent of the Corporation, no person shall serve as a director, officer, or employee of an insured bank who has been convicted, or who is hereafter convicted, of any criminal offense involving dishonesty or a breach of trust. For each willful violation of this prohibition, the bank involved shall be subject to a penalty of not more than $100 for each day this prohibition is violated, which the Corporation may recover for its use.”

Provisions Not Repealed, Modified or Affected
Nothing contained in sections 201 to 205 and 207 of Pub. L. 89–695 amending sections 1813 and 1817 to 1820 and repealing section 77 of this title to be construed as repealing, modifying, or affecting this section, see section 206 of Pub. L. 89–695, set out as a note under section 1813 of this title.

Cross References
Jurisdiction of District Court of the United States of the District of Columbia for penalty, see section 1355 of Title 28, Judicial and Judicial Procedure.

§1829a. Participation by State nonmember insured banks in lotteries and related activities

(a) Prohibited activities
A State nonmember insured bank may not—

(1) deal in lottery tickets;
(2) deal in bets used as a means or substitute for participation in a lottery;
(3) announce, advertise, or publicize the existence of any lottery; or
(4) announce, advertise, or publicize the existence or identity of any participant or winner, as such, in a lottery.

(b) Use of banking premises prohibited
A State nonmember insured bank may not permit—

(1) the use of any part of its banking offices by any person for any purpose forbidden to the bank under subsection (a) of this section, or
(2) direct access by the public from any of its banking offices to any premises used by any person for any purpose forbidden to the bank under subsection (a) of this section.

(c) Definitions
As used in this section—

(1) The term “deal in” includes making, taking, buying, selling, redeeming, or collecting.
(2) The term “lottery” includes any arrangement whereby three or more persons (the “participants”) advance money or credit to another in exchange for the possibility or expectation that one or more but not all of the participants (the “winners”) will receive by reason of their advances more than the amounts they have advanced, the identity of the winners being determined by any means which includes—

(A) a random selection;
(B) a game, race, or contest; or
(C) any record or tabulation of the result of one or more events in which any participant has no interest except for its bearing upon the possibility that he may become a winner.

(3) The term “lottery ticket” includes any right, privilege, or possibility (and any ticket, receipt, record, or other evidence of any such right, privilege, or possibility), of becoming a winner in a lottery.

(d) Lawful banking services connected with operation of lottery
Nothing contained in this section prohibits a State nonmember insured bank from accepting deposits or cashing or otherwise handling checks or other negotiable instruments, or performing other lawful banking services for a State operating a lottery, or for an officer or employee of that State who is charged with the administration of the lottery.

(e) Regulations; enforcement
The Board of Directors shall prescribe such regulations as may be necessary to the strict enforcement of this section and the prevention of evasions thereof.


Amendments