

103^D CONGRESS
1ST SESSION

S. 1725

To amend the Federal Deposit Insurance Act to clarify provisions intended to protect the Corporation from having bank loans or other assets diluted by secret side agreements.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 19 (legislative day, NOVEMBER 2), 1993

Mr. COHEN (for himself, Mr. MACK, Mr. BENNETT, and Mr. FAIRCLOTH) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Federal Deposit Insurance Act to clarify provisions intended to protect the Corporation from having bank loans or other assets diluted by secret side agreements.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CLARIFICATION.**

4 Section 11(d)(9)(A) of the Federal Deposit Insurance
5 Act (12 U.S.C. 1821(d)(9)(A)) is amended by striking
6 “any agreement which does not meet the requirements set
7 forth in section 13(e)” and inserting “any agreement
8 which tends to diminish or defeat the interest of the Cor-

1 poration in any asset acquired by the Corporation as secu-
2 rity for a loan, by purchase, or as receiver of an insured
3 depository institution, and which does not meet the re-
4 quirements of section 13(e).”.

5 **SEC. 2. APPLICABILITY.**

6 Notwithstanding any other provision of law, the
7 amendment made by section 1 shall apply to any claim
8 pending, under judicial review, or on appeal on or after
9 October 1, 1993.

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