

AMENDMENT TO H.R. 384
OFFERED BY MR. SHERMAN OF CALIFORNIA

Page 11, after line 7, insert the following:

1 “(g) PROHIBITION ON PAYMENT OF DIVIDENDS AND
2 REPURCHASE OF STOCK.—

3 “(1) IN GENERAL.—Except with respect to obli-
4 gations owed pursuant to law to any nonaffiliated
5 party or any existing contract with any nonaffiliated
6 party in effect as of October 3, 2008, no dividends
7 or distributions of any kind, or the economic equiva-
8 lent thereof (as determined by the Secretary) may be
9 paid, nor any repurchase of stock (other than a re-
10 purchase of stock from the Federal Government)
11 may be made, by any assisted institution, or any
12 holding company or company that controls a major-
13 ity stake in the institution, while such financial as-
14 sistance is outstanding.

15 “(2) EXCEPTION.—The prohibitions under
16 paragraph (1) shall not apply to any class of securi-
17 ties—

18 “(A) created after January 13, 2009; and

19 “(B) sold solely for cash.”.

