

76 Stat. 1059.
26 USC 6038.

(6) Section 6038(d)(1) of such Code (relating to definition of control) is amended—

Ante, p. 762.

(A) by striking out “the second sentence of subparagraphs (A) and (B), and clause (ii) of subparagraph (C), of section 318 (a) (2)” in subparagraph (A) and inserting in lieu thereof “subparagraphs (A), (B), and (C) of section 318(a) (3)”; and
(B) by striking out “clause (i) of” in subparagraph (B).

26 USC 302, 304.

(c) The amendments made by this section shall take effect on the date of the enactment of this Act, except that, for purposes of sections 302 and 304 of the Internal Revenue Code of 1954, such amendments shall not apply with respect to distributions in payment for stock acquisitions or redemptions, if such acquisitions or redemptions occurred before the date of the enactment of this Act.

Approved August 31, 1964.

Public Law 88-555

August 31, 1964
[H. J. Res. 733]

JOINT RESOLUTION

To designate the powerhouse on Clear Creek at the head of Whiskeytown Reservoir, in the State of California, as Judge Francis Carr Powerhouse.

Clear Creek,
Calif.
Judge Francis
Carr Powerhouse,
designation.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the one hundred and thirty thousand kilowatt capacity powerhouse on Clear Creek at the head of Whiskeytown Reservoir shall hereafter be known as Judge Francis Carr Powerhouse in honor of Judge Francis Carr, of Redding, California, a lawyer, judge, public servant, and advocate of reclamation development including the great Central Valley project developed to meet the serious water shortages in the San Joaquin Valley and Sacramento Valley of California. The Secretary of the Interior is hereby directed to place a suitable plaque at the site. Any law, regulation, document, or record of the United States in which such powerhouse is designated or referred to shall be held to refer to such powerhouse under and by the name of Judge Francis Carr Powerhouse.

Approved August 31, 1964.

Public Law 88-556

August 31, 1964
[H. R. 8355]

AN ACT

To amend the Life Insurance Company Act of the District of Columbia (48 Stat. 1145), approved June 19, 1934, as amended.

D.C.
Life Insurance
Act, amendment.
D.C. Code
35-508.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8, chapter III of the Life Insurance Act (48 Stat. 1145) is amended by inserting at the beginning thereof “(a)” and by striking the figure “\$100,000” in the first sentence thereof and inserting in lieu thereof the figure “\$200,000”, and by adding the following subsection:

“(b) No company shall be exempt from the provisions of this section by reason of its having been incorporated in the District or elsewhere prior to the effective date of this subsection, except that in the case of companies authorized in the District of Columbia on (date of passage) and continuously authorized thereafter without any increase or broadening of authority, the minimum capital required of a stock company shall not be increased by this section.”

SEC. 2. (a) Subsection 10(b) (ii) of section 35 of chapter III of the Life Insurance Act of the District of Columbia (48 Stat. 1145) is

75 Stat. 514.
D.C. Code
35-535.

amended to read as follows: "(ii) if such acquisition will not cause the acquiring company's aggregate cost of investments under this paragraph to exceed, in the case of a capital stock company, the amount of capital, surplus, and contingency reserves in excess of \$300,000, or, in the case of a mutual company, the amount of surplus and contingency reserves in excess of \$150,000, and".

(b) Subsection 15(ii) of section 35 of chapter III of such Act is amended by deleting the words "the amount of capital, surplus, and contingency reserves in excess of \$150,000," and substituting therefor the following: "in the case of a capital stock company, the amount of capital, surplus, and contingency reserves in excess of \$300,000 or, in the case of a mutual company, the amount of surplus and contingency reserves in excess of \$150,000,".

74 Stat. 865.

SEC. 3. The first sentence of section 9 of chapter III of the Life Insurance Act (48 Stat. 1145) is amended by striking the words "two-thirds of its stockholders" and inserting in lieu thereof the words "stockholders representing at least two-thirds of the capital stock entitled to vote".

D.C. Code
35-509.

SEC. 4. Section 10 of chapter III of the Life Insurance Act (48 Stat. 1145) is amended by inserting at the beginning thereof "(a)" and by adding the following subsection:

D.C. Code
35-510.

"(b) Subsection (a) hereof shall not be applicable to an amendment of the articles of incorporation providing for an increase of capital stock wherein said amendment provides that said increase will be reserved for issuance for—

"(1) the acquisition of the ownership or control of another insurance company as an affiliate or subsidiary subject to the limitations of subsection 10(b) of section 35 of chapter III of the Life Insurance Act (D.C. Code 35-535 10(b)): *Provided, however,* That no such acquisition shall be consummated until it has been approved or ratified by stockholders representing at least a majority of the capital stock entitled to vote;

"(2) the granting of options to officers or employees of the company to purchase authorized but unissued shares of stock of the company, for such consideration and upon such terms and conditions as may be fixed by the board of directors: *Provided, however,* That (a) at no time shall the number of shares reserved for this purpose exceed, in the aggregate, 5 per centum of the total authorized shares of stock of the company; (b) no more than 10 per centum of the total number of shares authorized to be optioned may be made available to any individual under any and all options issued to him by the company; (c) no option shall be promised or granted (1) to any individual employed by an insurance company authorized to do business in the District of Columbia (other than the company promising or granting the option or a subsidiary of the company promising or granting the option) while that individual is so employed, or (2) to any individual within two years following the termination of his employment with such an insurance company; (d) the option price of shares subject to any such option shall not be less than 95 per centum of the fair market value of such shares at the time the option is granted and shall be not less than the par value of such shares; (e) any such option shall not be transferable except by will or the laws of descent and distribution; (f) any such option shall not be exercisable after the expiration of 10 years from the time the option is granted; or

"(3) the paying of stock dividends:

Provided, That at no time shall the number of shares of reserved unissued stock exceed the number of shares of issued and outstanding shares of stock of said company."

SEC. 5. This Act shall take effect on the first day of the first month which is at least ninety days after its approval.

Effective date.

Approved August 31, 1964.