THE BOARD OF GOVERNORS

OF THE

FEDERAL RESERVE SYSTEM

AMENDMENTS

TO THE

FEDERAL RESERVE ACT

AND

APPENDIX

ENACTED BETWEEN

NOVEMBER 1, 1946 AND DECEMBER 31, 1953

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P. 18—Sec. 9:

(Amended August 17, 1950)

Section 9 of the Federal Reserve Act was amended by inserting after the 1st paragraph the following new paragraph (this new paragraph becomes the 2nd paragraph of section 9 and the remaining paragraphs are renumbered accordingly):

> Upon the conversion of a national bank into a State bank, or the merger or consolidation of a national bank with a State bank which is not a member of the Federal Reserve System, the resulting or continuing State bank may be admitted to membership in the Federal Reserve System by the Board of Governors of the Federal Reserve System in accordance with the provisions of this section, but, otherwise, the Federal Reserve bank stock owned by the national bank shall be canceled and paid for as provided in section 5 of this Act. Upon the merger or consolidation of a national bank with a State member bank under a State charter, the membership of the State bank in the Federal Reserve System shall continue.

P. 18—Sec. 9:

(Amended July 15, 1952)

The 2nd paragraph of section 9 of the Federal Reserve Act (the 3rd paragraph after the amendment of August 17, 1950) was amended by adding a new sentence reading as follows:

> The approval of the Board shall likewise be obtained before any State member bank may establish any new branch within the limits of any such city, town, or village (except within the District of Columbia).

P. 21—Sec. 9:

(Amended July 15, 1952)

The 10th paragraph of section 9 of the Federal Reserve Act (the 11th paragraph after the amendment of August 17, 1950) was amended to read as follows:

> No applying bank shall be admitted to membership unless it possesses capital stock and surplus which, in the judgment of the Board of Governors of the Federal Reserve System, are adequate in relation to the character and condition of its assets and to its existing and

prospective deposit liabilities and other corporate responsibilities: *Provided,* That no bank engaged in the business of receiving deposits other than trust funds, which does not possess capital stock and surplus in an amount equal to that which would be required for the establishment of a national banking association in the place in which it is located, shall be admitted to membership unless it is, or has been, approved for deposit insurance under the Federal Deposit Insurance Act. The capital stock of a State member bank shall not be reduced except with the prior consent of the Board.

P. 27—Sec. 10:

(Amended, in effect, October 15, 1949)

The 1st paragraph of Section 10 of the Federal Reserve Act was in effect amended by Act of October 15, 1949, which fixed salaries of Board members at $16,000 per annum.

P. 30—Sec. 10:

(Amended July 30, 1947 and May 29, 1953)

The 9th paragraph of section 10 of the Federal Reserve Act was amended by changing the period to a colon and by adding the following proviso:

Provided further, That the cost as above specified shall not be so limited as long as the aggregate of such costs which are incurred by all Federal Reserve banks for branch bank buildings with the approval of the Board of Governors after the date of enactment of this proviso does not exceed $30,000,000.

Pp. 41–72—Sec. 12B (omit):

Section 12B of the Federal Reserve Act was withdrawn by Act of September 21, 1950, and the subject reenacted as the Federal Deposit Insurance Act. See Appendix for certain sections of particular importance to the Federal Reserve System.

P. 84—Sec. 14(b):

(Amended April 28, 1947, June 30, 1950, and June 23, 1952)

Subsection (b) of section 14 of the Federal Reserve Act was amended by striking out the proviso and inserting the following:

Provided, That, notwithstanding any other provision of this Act, (1) until July 1, 1954, any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities either in the open market or directly from or to the United States; but all such purchases and sales shall be made in accordance with the provisions of section 12A of this Act and the aggregate amount of such obligations acquired directly from the United States which is held at any one time by the twelve Federal Reserve banks shall not exceed $5,000,000,000; and (2) after June 30, 1954, any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities but only in the open market. The Board of Governors of the Federal Reserve System shall include in their annual report to Congress detailed information with respect to direct purchases and sales from or to the United States under the provisions of the preceding proviso.

P. 102—Sec. 19:

The footnote to the 14th paragraph of section 19 of the Federal Reserve Act should include the following sentence:

"Cessation of hostilities" was proclaimed by the President on December 31, 1946.

P. 104—Sec. 21:

(Amended June 30, 1948)

The 4th sentence of the 3rd paragraph of section 21 of the Federal Reserve Act (the 2nd paragraph of section 5240 of the Revised Statutes) was amended to read as follows:

The examiners and assistant examiners making the examinations of national banking associations and affiliates thereof herein provided for and the chief examiners, reviewing examiners and other persons whose services may be required in connection with such examinations or the reports thereof, shall be employed by the Comptroller of the Currency with the approval of the Secretary of the Treasury; the employment and compensation of examiners, chief examiners, reviewing examiners, assistant examiners, and of the other employees of the office of the Comptroller of the Currency whose compensation is and shall be paid from assessments on banks or affiliates thereof shall be

without regard to the provisions of other laws applicable to officers or employees of the United States.

Pp. 107–108—Sec. 22(a), (b) and (c) (omit):

Subsections (a), (b) and (c) of section 22 of the Federal Reserve Act were repealed by Act of June 25, 1948, codifying criminal laws, but substance was incorporated in U.S.C., Title 18, sections 217, 218, 220, 655, 1906 and 1909 which are contained in the supplemental material to the Appendix.

Pp. 111–112—Sec. 22(h), (i), (j) and (k) (omit):

Subsections (h), (i), (j) and (k) of section 22 of the Federal Reserve Act were repealed by Act of June 25, 1948, codifying criminal laws, but substance of subsections (h), (i) and (k) was incorporated in U.S.C., Title 18, sections 219, 656, 1005 and 1014 which are contained in the supplemental material to the Appendix. Subsection (j) was in effect incorporated in U.S.C., Title 18, section 433.

Pp. 114–115—Sec. 24:

(Amended October 25, 1949, April 20, 1950, and September 1, 1951)

The 1st paragraph of section 24 of the Federal Reserve Act was amended to read as follows:

Sec. 24. Any national banking association may make real-estate loans secured by first liens upon improved real estate, including improved farm land and improved business and residential properties. A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument upon real estate, which shall constitute a first lien on real estate in fee simple or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold (1) under a lease for not less than ninety-nine years which is renewable or (2) under a lease having a period of not less than fifty years to run from the date the loan is made or acquired by the national banking association, and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association. The amount of any such loan hereafter made shall not exceed 50 per centum of the appraised value of the real estate offered as security and no such loan shall be made for a

longer term than five years; except that (1) any such loan may be made in an amount not to exceed 60 per centum of the appraised value of the real estate offered as security and for a term not longer than ten years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize 40 per centum or more of the principal of the loan within a period of not more than ten years, and (2) the foregoing limitations and restrictions shall not prevent the renewal or extension of loans heretofore made and shall not apply to real-estate loans which are insured under the provisions of title II, title VI, title VIII, section 8 of title I, or title IX of the National Housing Act or which are insured by the Secretary of Agriculture pursuant to title I of the Bankhead-Jones Farm Tenant Act. No such association shall make such loans in an aggregate sum in excess of the amount of the capital stock of such association paid in and unimpaired plus the amount of its unimpaired surplus fund, or in excess of 60 per centum of the amount of its time and savings deposits, whichever is the greater. Any such association may continue hereafter as heretofore to receive time and savings deposits and to pay interest on the same, but the rate of interest which such association may pay upon such time deposits or upon savings or other deposits shall not exceed the maximum rate authorized by law to be paid upon such deposits by State banks or trust companies organized under the laws of the State in which such association is located.

P.115—Sec. 24:

(Amended August 15, 1953)

Section 24 of the Federal Reserve Act was amended by inserting after the 1st paragraph the following new paragraph (this new paragraph becomes the 2nd paragraph of section 24 and the remaining paragraphs are renumbered accordingly):

Any national banking association may make real-estate loans secured by first liens upon forest tracts which are properly managed in all respects. Such loans shall be in the form of an obligation or obligations secured by mortgage, trust deed, or other such instrument; and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association. The amount of any such loan shall not exceed 40 per centum of the appraised value of the economically marketable timber offered as security and the loan shall be made upon such terms and conditions

as to assure that at no time shall the loan balance exceed 40 per centum of the original appraised value of the economically marketable timber then remaining. No such loan shall be made for a longer term than two years; except that any such loan may be made for a term not longer than ten years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the principal of the loan within a period of not more than ten years and at a rate of at least 10 per centum per annum. All such loans secured by first liens upon forest tracts shall be included in the permissible aggregate of all real estate loans prescribed in the preceding paragraph, but no national banking association shall make forest-tract loans in an aggregate sum in excess of 50 per centum of its capital stock paid in and unimpaired plus 50 per centum of its unimpaired surplus fund.

P. 116—Sec. 24:

(Amended May 25, 1948 and September 1, 1951)

The 3rd paragraph of section 24 of the Federal Reserve Act (the 4th paragraph after the amendment of August 15, 1953) was amended to read as follows:

Loans made to established industrial or commercial businesses (a) which are in whole or in part discounted or purchased or loaned against as security by a Federal Reserve bank under the provisions of section 13b of this Act, (b) for any part of which a commitment shall have been made by a Federal Reserve bank under the provisions of said section, (c) in the making of which a Federal Reserve bank participates under the provisions of said section, or (d) in which the Reconstruction Finance Corporation or the Housing and Home Finance Administrator cooperates or purchases a participation under the provisions of the Reconstruction Finance Corporation Act, as amended, or of section 102 or 102a of the Housing Act of 1948, as amended, shall not be subject to the restrictions or limitations of this section upon loans secured by real estate.

P. 139—Depositories for any internal revenue taxes (new):

(Act of August 27, 1949; U.S.C., title 26, sec. 3310)

Section 3310 of the Internal Revenue Code was amended by the addition of subsection (f)(2) which reads as follows:

> (2) USE OF GOVERNMENT DEPOSITARIES.—The Secretary may authorize Federal Reserve banks, and incorporated banks or trust companies which are depositaries or financial agents of the United States, to receive any tax imposed by this title, in such manner, at such times, and under such conditions as he may prescribe; and he shall prescribe the manner, times, and conditions under which the receipt of such tax by such banks and trust companies is to be treated as payment of such tax to the collector.

P. 139—Depositories for RFC:

The Reconstruction Finance Corporation Act was revised June 30, 1947 and section 7 was replaced by the following section 6:

> SEC. 6. The Federal Reserve banks are authorized and directed to act as custodians and fiscal agents for the Corporation in the general performance of its powers conferred by this Act and the Corporation may reimburse such Federal Reserve banks for such services in such manner as may be agreed upon.

By act of July 30, 1953, liquidation of the Corporation must be completed by June 30, 1954.

P. 139—Fiscal agents for Small Business Administration (new):

(Act of July 30, 1953; U.S.C., title 15, sec. 635)

Section 206(a) of the Small Business Act 1953, provides as follows:

> SEC. 206. (a) All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this title. Any banks insured by the Federal Deposit Insurance Corporation, when designated by the Secretary of the Treasury, shall act as custodians, and financial agents

for the Administration. Each Federal Reserve bank, when designated by the Administrator as fiscal agent for the Administration, shall be entitled to be reimbursed for all expenses incurred as such fiscal agent.

P. 140—Depositories for HOLC (omit):

The Home Owners' Loan Corporation was dissolved by Act of June 30, 1953.

P. 141—Depositories for Smaller War Plants Corporation (omit):

The Smaller War Plants Corporation was abolished by Act of June 30, 1947.

P. 141—Depositories for FDIC (new):

(Act of September 21, 1950; U.S.C., title 12, sec. 1823)

Section 13(b) of the Federal Deposit Insurance Act provides as follows:

(b) The banking or checking accounts of the Corporation shall be kept with the Treasurer of the United States, or, with the approval of the Secretary of the Treasury, with a Federal Reserve bank, or with a bank designated as a depositary or fiscal agent of the United States: *Provided,* That the Secretary of the Treasury may waive the requirements of this subsection under such conditions as he may determine: *And provided further,* That this subsection shall not apply to the establishment and maintenance in any bank for temporary purposes of banking and checking accounts not in excess of $50,000 in any one bank, or to the establishment and maintenance in any bank of any banking and checking accounts to facilitate the payment of insured deposits, or the making of loans to, or the purchase of assets of, insured banks. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depositary of public moneys, except receipts from customs, under such regulations as may be prescribed by the said Secretary, and may also be employed as a financial agent of the Government. It shall perform all such reasonable duties as depositary of public moneys and financial agent of the Government as may be required of it.

P. 144—Availability of records to RFC (omit):

The Reconstruction Finance Corporation Act was revised June 30, 1947 and the new Act did not contain a provision covering this subject. Liquidation of the Corporation by June 30, 1954, was provided for by Act of July 30, 1953.

P. 146—Availability of records to FDIC (new):

(Act of September 21, 1950; U.S.C., title 12, sec. 1820)

Section 10(f) of the Federal Deposit Insurance Act provides as follows:

> (f) The Corporation shall have access to reports of examination made by, and reports of condition made to, the Comptroller of the Currency or any Federal Reserve bank, may accept any report made by or to any commission, board, or authority having supervision of a State nonmember bank (except a District bank), and may furnish to the Comptroller of the Currency, to any Federal Reserve bank, and to any such commission, board, or authority, reports of examinations made on behalf of, and reports of condition made to, the Corporation.

P. 147—Ineligibility of obligations of RFC for discount or purchase (omit):

The Reconstruction Finance Corporation Act was revised June 30, 1947 and the new Act did not contain a provision covering this subject. Liquidation of the Corporation by June 30, 1954 was provided for by Act of July 30, 1953.

P. 147—Paper of regional agricultural credit corporations:

(Amended June 30, 1947)

Subsection (e) of section 201 of the Act of July 21, 1932, was amended to read as follows:

> SEC. 201. * * *
>
> (e) * * * Such corporations are hereby authorized and empowered to make loans or advances to farmers and stockmen, the proceeds of which are to be used for an agricultural purpose (including crop production), or for the raising, breeding, fattening, or marketing of livestock, to charge such rates of interest or discount thereon as in their judgment are fair and equitable, subject to the approval of the Farm

Credit Administration, and to rediscount with the Farm Credit Administration and the various Federal reserve banks and Federal intermediate credit banks any paper that they acquire which is eligible for such purpose * * *

P. 149—Exemption from Labor Management Relations Act (new):

(Act of June 23, 1947; U.S.C., title 29, sec. 152)

With respect to the exemption of Federal Reserve Banks from the Labor Management Relations Act, 1947, subsection (2) of section 2 of such Act provides as follows:

SEC. 2. * * *

(2) The term "employer" includes any person acting as an agent of an employer, directly or indirectly, but shall not include the United States or any wholly owned Government corporation, or any Federal Reserve Bank, or any State or political subdivision thereof, or any corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual, or any person subject to the Railway Labor Act, as amended from time to time, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

P. 149—Factors to be certified to FDIC (new):

(Act of September 21, 1950; U.S.C., title 12, secs. 1814, 1816)

Sections 4(b) and 6 of the Federal Deposit Insurance Act provide as follows:

SEC. 4. * * *

(b) Every national member bank which is authorized to commence or resume the business of banking, and which is engaged in the business of receiving deposits other than trust funds as herein defined, and every such national nonmember bank which becomes a member of the Federal Reserve System, and every State bank which is converted into a national member bank or which becomes a member of the Federal Reserve System, and which is engaged in the business of receiving deposits, other than trust funds as herein defined, shall be an insured bank from the time it is authorized to commence or

resume business or becomes a member of the Federal Reserve System. The certificate herein prescribed shall be issued to the Corporation by the Comptroller of the Currency in the case of such national member bank, or by the Board of Governors of the Federal Reserve System in the case of such State member bank: *Provided,* That in the case of an insured bank which is admitted to membership in the Federal Reserve System or an insured State bank which is converted into a national member bank, such certificate shall not be required, and the bank shall continue as an insured bank. Such certificate shall state that the bank is authorized to transact the business of banking in the case of a national member bank, or is a member of the Federal Reserve System in the case of a State member bank, and that consideration has been given to the factors enumerated in section 6. A State bank, resulting from the conversion of an insured national bank, shall continue as an insured bank. A State bank, resulting from the merger or consolidation of insured banks, or from the merger or consolidation of a noninsured bank or institution with an insured State bank, shall continue as an insured bank.

SEC. 6. The factors to be enumerated in the certificate required under section 4 and to be considered by the Board of Directors under section 5 shall be the following: The financial history and condition of the bank, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the convenience and needs of the community to be served by the bank, and whether or not its corporate powers are consistent with the purposes of this Act.

P. 149—Termination of membership upon termination of insurance (new):

(Act of September 21, 1950; U.S.C., title 12, sec. 1818)

Section 8(b) of the Federal Deposit Insurance Act provides as follows:

(b) Whenever the insured status of a State member bank shall be terminated by action of the Board of Directors, the Board of Governors of the Federal Reserve System shall terminate its membership in the Federal Reserve System in accordance with the provisions of section 9 of the Federal Reserve Act, and whenever the insured status of a national member bank shall be so terminated the Comptroller of the Currency shall appoint a receiver for the bank, which shall be the Corporation. Except as provided in subsection (b) of section 4, whenever a member bank shall cease to be a member of the Federal

Reserve System, its status as an insured bank shall, without notice or other action by the board of directors, terminate on the date the bank shall cease to be a member of the Federal Reserve System, with like effect as if its insured status had been terminated on said date by the board of directors after proceedings under subsection (a) of this section.

P. 149—Approval of mergers, consolidations or absorptions (new):

(Act of September 21, 1950; U.S.C., title 12, sec. 1828)

Section 18(c) of the Federal Deposit Insurance Act provides as follows:

(c) Without prior written consent by the Corporation, no insured bank shall (1) merge or consolidate with any noninsured bank or institution or convert into a noninsured bank or institution or (2) assume liability to pay any deposits made in, or similar liabilities of, any noninsured bank or institution or (3) transfer assets to any noninsured bank or institution in consideration of the assumption of liabilities for any portion of the deposits made in such insured bank. No insured bank shall convert into an insured State bank if its capital stock, or its surplus will be less than the capital stock or surplus, respectively, of the converting bank at the time of the shareholders' meeting approving such conversion, without prior written consent by the Comptroller of the Currency if the resulting bank is to be a District bank, or by the Board of Governors of the Federal Reserve System if the resulting bank is to be a State member bank (except a District bank), or by the Corporation if the resulting bank is to be a State nonmember insured bank (except a District bank). No insured bank shall (i) merge or consolidate with an insured State bank under the charter of a State bank or (ii) assume liability to pay any deposits made in another insured bank, if the capital stock or surplus of the resulting or assuming bank will be less than the aggregate capital stock or aggregate surplus, respectively, of all the merging or consolidating banks or of all the parties to the assumption of liabilities, at the time of the shareholders' meetings which authorized the merger or consolidation or at the time of the assumption of liabilities, unless the Comptroller of the Currency shall give prior written consent if the assuming bank is to be a national bank or the assuming or resulting bank is to be a District bank; or unless the Board of Governors of the Federal Reserve System gives prior written consent if the assuming or resulting bank is to be a State member bank (except a District bank); or unless the Corporation gives prior written consent if the assuming or resulting

bank is to be a nonmember insured bank (except a District bank). No insured State nonmember bank (except a District bank) shall, without the prior consent of the Corporation, reduce the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures.

P. 152—Interlocking directorates with other banks (Clayton Act):

(Amended June 23, 1938)

The 1st paragraph of section 11 of the Clayton Antitrust Act was amended by this Act, and by section 7 of the Reorganization Plan No. IV of June 30, 1940, to read as follows:

SEC. 11. That authority to enforce compliance with sections 2, 3, 7, and 8 of this Act by the persons respectively subject thereto is hereby vested: In the Interstate Commerce Commission where applicable to common carriers subject to the Interstate Commerce Act, as amended; in the Federal Communications Commission where applicable to common carriers engaged in wire or radio communication or radio transmission of energy; in the Civil Aeronautics Board where applicable to air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938; in the Board of Governors of the Federal Reserve System where applicable to banks, banking associations, and trust companies; and in the Federal Trade Commission where applicable to all other character of commerce, to be exercised as follows:

P. 164—National banks as depositaries:

(Amended August 18, 1950)

The 2nd paragraph of section 5153 of the Revised Statutes was amended to read as follows:

Any national banking association may, upon the deposit with it of any funds by any State or political subdivision thereof or any agency or other governmental instrumentality of one or more States or political subdivisions thereof, including any officer, employee, or agent thereof in his official capacity, give security for the safekeeping and prompt payment of the funds so deposited to the same extent and of the same kind as is authorized by the law of the State in which such association is located in the case of other banking institutions in the State.

Pp. 167–168—Depositories of proceeds of sale of Liberty Bonds:

(Amended August 27, 1949)

Section 8 of Second Liberty Bond Act was amended to read as follows:

SEC. 8. That the Secretary of the Treasury, in his discretion, is hereby authorized to deposit, in such incorporated banks and trust companies as he may designate, the proceeds, or any part thereof, arising from the sale of the bonds and certificates of indebtedness, Treasury bills and war-savings certificates authorized by this Act, and arising from the payment of internal revenue taxes, and such deposits shall bear such rate or rates of interest, and shall be secured in such manner, and shall be made upon and subject to such terms and conditions as the Secretary of the Treasury may from time to time prescribe: *Provided,* That the provisions of section fifty-one hundred and ninety-one of the Revised Statutes, as amended by the Federal Reserve Act, and the amendments thereof, with reference to the reserves required to be kept by national banking associations and other member banks of the Federal Reserve System, shall not apply to deposits of public moneys by the United States in designated depositaries. The Secretary of the Treasury is hereby authorized to designate depositaries in foreign countries with which shall be deposited all public money which it may be necessary or desirable to have on deposit in such countries to provide for current disbursements to the military and naval forces of the United States and to the diplomatic and consular and other representatives of the United States in and about such countries until six months after the termination of the war between the United States and the Imperial German Government, and to prescribe the terms and conditions of such deposits.

Pp. 172–173—False certification of checks (omit part):

The last sentence of section 5208 of the Revised Statutes was repealed by Act of June 23, 1948, codifying criminal laws, but substance was incorporated in U.S.C., Title 18, section 1004 which is contained in the supplemental material to the Appendix.

Pp. 173–174—Embezzlement and abstraction of funds (omit):

Section 5209 of the Revised Statutes was repealed by Act of June 25, 1948, codifying criminal laws, but substance was incorporated in U.S.C., Title 18, sections 334, 656 and 1005 which are contained in the supplemental material to the Appendix.

Pp. 174–175—Robbery of banks (omit):

The Act of May 18, 1934, was repealed by Act of June 25, 1948, codifying criminal laws, but substance was incorporated in U.S.C., Title 18, sections 2113 and 3231, of which section 2113 is contained in the supplemental material to the Appendix.

Pp. 176–177—Dealings in investment securities:

(Amended June 29, 1949, July 15, 1949 and April 9, 1952)

Paragraph "Seventh" of section 5136 of the Revised Statutes was amended to read as follows:

> Seventh. To exercise by its board of directors or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; and by obtaining, issuing, and circulating notes according to the provisions of this title. The business of dealing in securities and stock by the association shall be limited to purchasing and selling such securities and stock without recourse, solely upon the order, and for the account of, customers, and in no case for its own account, and the association shall not underwrite any issue of securities or stock: *Provided,* That the association may purchase for its own account investment securities under such limitations and restrictions as the Comptroller of the Currency may by regulation prescribe. In no event shall the total amount of the investment securities of any one obligor or maker, held by the association for its own account, exceed at any time 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund, except that this limitation shall not require any association to dispose of any securities lawfully held by it on the date of enactment of the Banking Act of 1935. As used in this section the term "investment securities" shall mean marketable obligations evidencing indebtedness of any person, copartnership, association, or corporation in the form of bonds, notes and/or debentures commonly known as investment securities under such further definition of the term "investment securities" as may by regulation be prescribed by the Comptroller of the Currency. Except as hereinafter provided or otherwise permitted by law, nothing herein contained shall authorize the purchase by the association for its own account of any shares of