

quarter, section 15; and the east half northeast quarter, section 22; all in township 39 north, range 11 east, Modoc County, California, Mount Diablo base and meridian.

Approved, March 4, 1933.

[CHAPTER 273.]

AN ACT

For the improvement of the inland waterway from Norfolk, Virginia, to Beaufort Inlet, North Carolina.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following works of improvement are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of Chief of Engineers, in accordance with the plans recommended in the report hereinafter designated: Inland waterway from Norfolk, Virginia, to Beaufort Inlet, North Carolina, in accordance with the report submitted in Rivers and Harbors Committee Document Numbered 5, Seventy-second Congress, first session, and subject to the conditions and limitations set forth in said document.

Approved, March 4, 1933.

[CHAPTER 274.]

AN ACT

To further regulate banking, banks, trust companies, and building and loan associations in the District of Columbia, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of April 26, 1922 (42 Stat. L., pt. 1, p. 500; D. C. Code, title 5, sec. 300), be amended to read as follows:

“(a) That after the enactment of this Act no banking business shall be done in the District of Columbia except by corporations organized in accordance with the provisions of the Act of March 3, 1901, entitled ‘An Act to establish a code of law for the District of Columbia,’ as amended, or by national-banking associations organized in accordance with the laws of the United States, except that this paragraph shall not apply to (1) corporations engaged in and doing a banking business on the date of the enactment of this Act, (2) individuals, partnerships, associations, or corporations primarily engaged as brokers in buying, selling, exchanging, and/or otherwise dealing in stocks, bonds, and/or other securities, for the account of others, and incidentally thereto conducts banking transactions, (3) individuals, partnerships, associations, or corporations not doing a bank of deposit business.

“(b) That no corporation shall engage in or do the business of a bank of deposit or a fiduciary business in the District of Columbia nor shall any branch be established to carry on any phase of such banking or fiduciary business in the District of Columbia until the approval and consent of the Comptroller of the Currency is secured. The term ‘branch’ as used in this Act shall be held to include any branch bank, branch office, branch agency, additional office, or any place of business located in the District of Columbia, at which deposits are received, or checks paid, or money lent, or at which the public is served or any phase of business conducted by the parent institution.

March 4, 1933.
[H. R. 6184.]
[Public, No. 433.]

Inland waterway,
Norfolk, Va., to Beau-
fort Inlet, N. C.
Improvement author-
ized.

March 4, 1933.
[H. R. 6402.]
[Public, No. 434.]

Banks, etc., D. C.

Further regulations,
prescribed.
Vol. 42, p. 500,
amended.
Foreign corporations
not allowed to do bank-
ing business.
Vol. 31, pp. 1285, 1298,
1302, 1303; Vol. 31, p.
458.

Exceptions.
Existing corporations.

Brokers, etc.

Those not doing a
bank of deposit busi-
ness.

Corporations not per-
mitted to do business,
etc., without approval
of Comptroller of the
Currency.

Term “branch” con-
strued.

"(c) That after the passage of this Act no building association, incorporated or unincorporated, shall do a building-association business or maintain any office in the District of Columbia until it shall have secured the approval and consent of the Comptroller of the Currency; and the Comptroller of the Currency shall not give consent or approval to any building association to maintain any office or place of business in the District of Columbia where such association is not incorporated under the laws of the District of Columbia in accordance with the Act of March 4, 1909 (35 Stat. L., pt. 1, p. 1058; D. C. Code, title 5, ch. 3, sec. 41-54), except that this paragraph shall not apply to associations, incorporated or unincorporated, engaged in and doing a building-association business on the date of the passage of this Act.

Building associations forbidden to do business without consent of Comptroller.

Consent forbidden unless incorporated under D. C. laws.

Vol. 35, p. 1058.

Present associations not affected.

Dissolution of solvent institutions.

Proceedings.

"(d) Any solvent financial institution in the District of Columbia under the supervision of the Comptroller of the Currency may go into liquidation and discontinue business by the vote of its shareholders owning two-thirds of its stock. Whenever a vote is taken to go into liquidation it shall be the duty of the board of directors to cause notice of this fact to be certified, under the seal of the institution, by its president, secretary, or cashier, to the Comptroller of the Currency, and publication thereof to be made for a period of two weeks in a newspaper published in the District of Columbia, that the institution has discontinued business and is winding up its affairs, and notifying its creditors to present claims against the institution for payment. The shareholders shall at the time of going into liquidation elect a committee or liquidating agent who shall liquidate the institution. No institution which has gone into voluntary liquidation shall be permitted to resume business but until its liquidation is complete shall remain a legal corporation or association for the purpose of suing or being sued. The liquidating agent shall give satisfactory surety bond to the board of directors of the institution and shall annually, on request of the Comptroller of the Currency, render such reports to the Comptroller as he shall require. Any such institution in liquidation may be examined by the Comptroller of the Currency who if he finds such institution insolvent may appoint a receiver and wind up its affairs in the same manner as provided by law for national banking associations.

Liquidating agent, etc.

Resumption of business after liquidation forbidden.

Bond, report, etc., of liquidating agent.

Comptroller may appoint a receiver if findings warrant.

Receiver may be appointed for supervised institution if discontinuing operations 90 days.

"(e) If any financial institution under the supervision of the Comptroller of the Currency, which has not gone into liquidation and for which a receiver has not already been appointed for other lawful cause, shall discontinue its operations for a period of sixty days, the Comptroller of the Currency may, if he deems it advisable, appoint a receiver for such institution.

If already relinquished, may not resume.

"(f) Any financial institution over which the Comptroller of the Currency has or had supervision which prior to the passage of this Act has in any manner ceased to do a banking business shall not resume such banking business and shall advise the Comptroller of the Currency when its business has been fully liquidated whereupon by operation of this Act its charter is terminated. Such financial institution may in the discretion of the Comptroller of the Currency be subject to all the provisions of paragraph (d) of section 1 of this Act.

Provisions governing.

"(g) Each person, copartnership, each director, liquidating committee or liquidating agent, and each one of the officers and employees of an association or corporation violating any of the provisions of this section shall be punished by a fine not exceeding \$1,000, or imprisonment not exceeding one year, or by both fine and imprisonment, in the discretion of the court."

Punishment for violation.

Reports to Comptroller. Vol. 31, p. 1303; Vol. 42, p. 1067.

Publication in newspapers. R. S., sec. 5211, p. 1007. U. S. C., p. 269.

Vol. 34, p. 459.

Additional powers of examination.

Payment of expenses. R. S., sec. 5240, p. 1013.

Limit to liability which may be incurred. R. S., sec. 5200, p. 1005.

U. S. C., p. 264. Nonmember banks to maintain same reserve basis as national banks.

Agencies as depositaries.

Proviso. Regulations governing withdrawals.

Effect of, on new loans, dividends, etc

Shareholders of savings banks, etc., and foreign institutions doing banking business in the District.

Liability of any future bank.

Existing corporations, for contracts, etc., incurred subsequent to enactment of Act.

SEC. 2. That the last proviso of section 713 of the Act of March 3, 1901, entitled "An Act to establish a Code of Law for the District of Columbia" (D. C. Code, Title 5, sec. 298), as amended, be amended to read as follows: "And provided further, That all publications authorized or required by section 5211, Revised Statutes, and all other publications authorized or required by existing law to be made in the District of Columbia, shall be printed in one or more daily newspapers of general circulation, published in the city of Washington."

SEC. 3. That section 714 of the Act of March 3, 1901, entitled "An Act to establish a Code of Law for the District of Columbia" (D. C. Code, title 5, sec. 299), as amended, be amended to read as follows:

"SEC. 714. (a) The Comptroller of the Currency, in addition to the powers now conferred upon him by law for the examination of national banks, is hereby further authorized, whenever he may deem it advisable, to cause examination to be made into the condition of any bank mentioned in the preceding section. The expense of such examination shall be paid in the manner provided by section 5240 of the Revised Statutes relating to the examination of national banks.

"(b) The provision of section 5200 of the Revised Statutes, as amended (12 U. S. C. 84), are hereby extended to apply to all banks and trust companies doing business in the District of Columbia.

"(c) Each bank and trust company doing business in the District of Columbia and not a member of the Federal reserve system shall within six months from the enactment of this section, establish and maintain reserves on the same basis and subject to the same conditions as may by law now or hereafter be prescribed for national banks located in the District of Columbia, except that such reserves shall be established and maintained at such agency or agencies which shall have the approval of the Comptroller of the Currency: *Provided, however,* (1) That the required reserves carried by such bank or trust company with an agency or agencies may, under the regulations and subject to such penalties as may be prescribed by the Comptroller of the Currency, be checked against and withdrawn by such bank or trust company for the purpose of meeting existing liabilities, and (2) that no such bank or trust company shall at any time make new loans or shall pay any dividends unless and until the total reserves required by law shall be fully restored."

SEC. 4. (a) The shareholders of every savings bank or savings company other than building associations now or hereafter organized under authority of any Act of Congress to do business in the District of Columbia and of every banking institution organized by virtue of the laws of any of the States of the Union to do or doing a banking business in the District of Columbia, who acquire in any manner the shares of any such savings bank or savings company or such banking institutions other than building associations after the enactment of this Act, shall be held individually responsible equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank or company, to the extent of the amount of their stock so acquired therein, at the par value thereof, in addition to the amount invested in such shares.

(b) The shareholders, at the date of the enactment of this Act, of every savings bank or savings company other than building associations organized under authority of any Act of Congress to do business in the District of Columbia, and of every banking institution organized by virtue of the laws of any of the States of this Union to do or doing a banking business in the District of Columbia, shall be held individually responsible, equally and ratably, and not

one for another for all contracts, debts, and engagements of such savings bank, savings company, or banking institution, entered into or incurred subsequent to the date of the enactment of this Act to the extent of the amount of their stock therein at the par value thereof, in addition to the amount invested in such shares. The words "entered into or incurred" as used in this section, shall be held to include any extension or renewal of any contracts, debt, and engagement renewed or extended after the enactment of this Act.

(c) The provisions of section 5205 of the Revised Statutes of the United States as amended (U. S. C., title 12, ch. 2, sec. 55); sections 5234, 5235, and 5236 of the Revised Statutes of the United States as amended (U. S. C., title 12, ch. 2, secs. 192, 193, and 194); the Act of March 29, 1886 (ch. 28, secs. 1, 2, and 3; 24 Stat. 8; U. S. C., title 12, ch. 2, secs. 198, 199, and 200); the Act of February 25, 1930 (ch. 58, 46 Stat. 74; U. S. C., title 12, ch. 2, sec. 67); the Act of June 30, 1876 (ch. 156, secs. 1, 2, and 3; 19 Stat. 63; U. S. C., title 12, ch. 2, secs. 191, 65, and 197); and section 5210 of the Revised Statutes of the United States (U. S. C., title 12, ch. 2, sec. 62) are extended to apply to any bank, savings bank, or trust company organized, hereafter organized, or doing a banking business in the District of Columbia and to the shareholders of such institutions, except as limited by the provisions of paragraph (b) of this section: *Provided, however,* That the provisions of section 713 of the Act of March 3, 1901, entitled "An Act to establish a code of law for the District of Columbia" (D. C. Code, title 5, sec. 298), as amended, shall not be construed to be repealed by this Act but shall have application to the banks, savings banks, savings companies, other than building associations, and trust companies embraced within this Act.

(d) That portion of section 24 of the Judicial Code, as amended, applying to suits against national-banking associations (U. S. C., title 28, ch. 2, sec. 41, par. 16) shall be extended and shall apply to all actions arising under the provisions of this Act.

SEC. 5. Section 747 of the Act of March 3, 1901, entitled "An Act to establish a code of law for the District of Columbia" (D. C. Code, title 5, sec. 374), as amended, is amended to read as follows:

"SEC. 747. No corporation or company organized by virtue of the laws of any of the States of this Union shall carry on in the District of Columbia any of the kinds of business named in this subchapter without strict compliance in all particulars with the provisions of this subchapter for the government of such corporations formed under it, and each one of the officers of the corporation or company so offending shall be punished by a fine not exceeding \$1,000 or imprisonment not exceeding one year, or by both fine and imprisonment, in the discretion of the court."

SEC. 6. No corporation, association, partnership, or individual shall carry on any business in the District of Columbia under any name or title containing the word "bank" or the words "trust company" unless (1) the business is being carried on under the name or title at the time of the approval of this Act, or (2) the business is carried on under the supervision of the Comptroller of the Currency and the name or title is approved by the Comptroller of the Currency. Any individual who, or corporation, association, or partnership which, violates any of the provisions of this section, and any officer of any such corporation or association and any officer or member of any such partnership, who assents to any such violation, shall, upon conviction thereof, be fined not more than \$5,000.

SEC. 7. Any person who maliciously makes or repeats to, or in the hearing of, or under such circumstances that it becomes known to,

Clause construed.

Application of existing laws.
R. S., sec. 5205, p. 1006.
U. S. C., p. 262.
R. S., secs. 5234-5236, p. 1012.
U. S. C., p. 271.
Vol. 24, p. 8.
U. S. C., p. 273.
Vol. 46, p. 74.
U. S. C., Supp. VI, p. 131.
Vol. 19, p. 63.
U. S. C., pp. 263, 271, 272.
R. S., sec. 5210, p. 1007.
U. S. C., p. 262.
Exception.

Provisio.
Supervision.
Vol. 31, p. 1302; Vol. 32, p. 534; Vol. 34, p. 458.

Suits against national banks.
Laws applicable.
Vol. 36, p. 1092.
U. S. C., p. 867.

Vol. 31, p. 1309, amended.

Corporations organized under State laws.
Compliance with provisions governing.

Punishment for violation.

Unauthorized use of designated words.

Penalty for violation.

False statements against financial institutions.

Prosecution for maliciously making or repeating.

Proviso.
Truth of statement, a complete defense.

Nonmember banks. Restrictions.
Vol. 38, p. 272; Vol. 40, pp. 240, 970; Vol. 44, p. 1232.
R. S., secs. 5208, 5209, p. 1007.
U. S. C., p. 284, 288, 291, 292; Supp. VI, p. 140.

Amendment.
Separability provisions.

any other person any false statement imputing insolvency or un-sound financial condition to any bank, trust company, or building and loan association in the District of Columbia, or tending to cause a general withdrawal of deposits or funds from any such institution, shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned not more than five years, or both: *Provided*, That the truth of said statement, established by the maker thereof, shall be a complete defense in any prosecution under the provisions of this Act.

SEC. 8. All acts prohibited by the provisions of sections 5208 and 5209 of the Revised Statutes, as amended, and section 22 of the Federal Reserve Act, as amended, in the case of Federal reserve banks or member banks thereof, or of directors, officers, or employees of such banks, are likewise prohibited, respectively, in the case of banks in the District of Columbia which are not members of a Federal reserve bank, or of directors, officers, or employees of such banks, and shall be punishable by the respective penalties provided in such section.

SEC. 9. The right to alter, amend, or repeal this Act is hereby expressly reserved. If any clause, sentence, paragraph, or part of this Act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Approved, March 4, 1933.

[CHAPTER 275.]

AN ACT

To authorize the Secretary of the Interior to modify the terms of existing contracts for the sale of timber on Indian land when it is in the interest of the Indians so to do.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior, with the consent of the Indians involved, expressed through a regularly called general council, and of the purchasers, is hereby authorized and directed to modify the terms of now existing and uncompleted contracts of sale of Indian tribal timber: *Provided*, That the prices are not reduced below the basic sale prices: *Provided further*, That any such modifications shall be upon the express condition that said purchaser shall forthwith proceed to operate under all the terms of said contract as modified or suffer forfeiture of such contract and collection upon his bond: *And provided further*, That any modification of said contracts shall stipulate that in the event of sufficiently improved economic conditions the Secretary of the Interior with the consent of the said general council is authorized and directed, after consultation with the purchasers and the Indians involved and after ninety days' notice to them, to increase stumpage prices of timber reduced in any such modified contract: *And provided further*, That hereafter no contract of sale of Indian timber on the Klamath Indian Reservation in Oregon shall be entered into without the consent of the said general council.

SEC. 2. The Secretary of the Interior may modify existing contracts between individual Indian allottees or their heirs and purchasers of their timber, under the terms and requirements of section 1 of this Act, with the consent of the allottee or his heirs.

Timber sales, Indian lands.

Terms of existing contracts may be modified, with consent of Indians.

Vol. 36, p. 857; Vol. 48, p. 311.

Provisos.
Reduction below basic price.
Conditions of operation.

Provision for increasing stumpage prices.

Consent of Klamath Council to sale of its timber.

Existing contracts between individual allottees, etc., may be modified.

March 4, 1933.
[H. R. 6684.]
[Public, No. 435.]