

or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (3) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property or benefit through any transaction, loan, commission, contract, or any other act of the corporation, or (4) gives any unauthorized information concerning any future action or plan of the corporation which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company, bank, or corporation receiving loans or other assistance from the corporation, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

(d) No individual, association, partnership, or corporation shall use the words "Reconstruction Finance Corporation" or a combination of these three words, as the name or a part thereof under which he or it shall do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not exceeding \$1,000 or imprisonment not exceeding one year, or both.

(e) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U. S. C., title 18, ch. 5, secs. 202 to 207, inclusive) in so far as applicable, are extended to apply to contracts or agreements with the corporation under this Act, which for the purposes hereof shall be held to include loans, advances, discounts, and rediscounts; extensions and renewals thereof; and acceptances, releases, and substitutions of security therefor.

SEC. 17. 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, January 22, 1932.

[CHAPTER 9.]

AN ACT

January 23, 1932.
[H. R. 6172.]
[Public, No. 3.]

To amend the Federal Farm Loan Act, as amended, to provide for additional capital for Federal land banks, and for other purposes.

Federal Farm Loan Act, amendment.
Vol. 39, p. 365.
U. S. C., p. 302.

Retirement of original stock by subscriptions.

Vol. 39, p. 365.
U. S. C., p. 302.
Post, p. 36.

Subscription for capital stock by United States.

Call provision.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 7, secs. 691-697), is amended by inserting after the word "subscribed" in the sixth paragraph thereof the words "by national farm loan associations, by borrowers through agencies, and by borrowers through branch banks".

SEC. 2. Section 5 of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 7, secs. 691-697), is further amended by adding at the end thereof a new paragraph as follows:

"It shall be the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Federal Farm Loan Board, to subscribe from time to time for capital stock of such bank in an amount or amounts specified in such approval or approvals, such subscriptions to be subject to call in whole or in part by the board of directors of said bank upon thirty days' notice with

the approval of the Federal Farm Loan Board. The Secretary of the Treasury is hereby authorized and directed to take out and pay for shares having an aggregate par value equal to the amounts so called; and to enable the Secretary of the Treasury to pay for stock issued hereunder there is hereby authorized to be appropriated the sum of \$125,000,000 such stock to be nonvoting. Shares of stock issued pursuant to this paragraph shall be paid off at par and retired in the same manner as the original capital stock of said bank after said original stock outstanding, if any, has been paid off and retired: *Provided, however,* That stock issued pursuant to this paragraph may at any time, in the discretion of the directors and with the approval of the Federal Farm Loan Board, be paid off at par and retired in whole or in part; and that said board may at any time require such stock to be paid off at par and retired in whole or in part if in the opinion of the board the bank has resources available therefor. The proceeds of all repayments on account of stock issued pursuant to this paragraph shall be held in the Treasury of the United States and shall be available for the purpose of paying for other stock thereafter issued pursuant to this paragraph."

SEC. 3(a). Section 23 of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 7, secs. 901, 902), is amended, effective July 1, 1932, by adding at the end thereof a new paragraph as follows:

"Every Federal land bank shall semiannually carry to reserve account a sum not less than 50 per centum of its net earnings until said reserve account shall show a credit balance equal to the outstanding capital stock of said land bank. After said reserve is equal to the outstanding capital stock 10 per centum of the net earnings shall be added thereto semiannually. Whenever said reserve shall have been impaired it shall be fully restored before any dividends are paid. After deducting the 50 per centum or the 10 per centum herein directed to be deducted for credit to reserve account, any Federal land bank may declare a dividend or dividends to shareholders of the whole or any part of the balance of its net earnings, but only with the approval of the Federal Farm Loan Board. In the case of Federal land banks the requirements of this paragraph shall be in lieu of the requirements of the first three sentences of the first paragraph of this section and in lieu of the requirements of the first sentence of the second paragraph of this section."

(b) Section 23 of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 7, secs. 901, 902), is further amended by inserting after the word "earnings" and before the period in the first sentence of the second paragraph thereof a colon and the following: "*Provided,* That any dividend or dividends declared by any joint-stock land bank shall be subject to the approval of the Federal Farm Loan Board."

SEC. 4. The first three paragraphs of section 24 of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 7, secs. 911-913), are amended, effective July 1, 1932, to read as follows:

"That every national farm loan association shall, out of its net earnings, semiannually carry to reserve account a sum not less than 10 per centum of such net earnings until said reserve account shall show a credit balance equal to 25 per centum of the outstanding capital stock of said association. After said reserve has reached the sum of 25 per centum of the outstanding capital stock, 5 per centum of the net earnings shall be semiannually added thereto.

"Whenever said reserve shall have been impaired it shall be fully restored before any dividends are paid.

"After deducting the 10 per centum or the 5 per centum hereinbefore directed to be credited to reserve account, said association

Payment.

Appropriation au-
thorized.
Post, p. 36.
Retirement.
Vol. 39, p. 365.
U. S. C., p. 302.

Proviso.
Optional retirement
if adequate resources
available.

Proceeds to be avail-
able

Vol. 39, p. 379.
U. S. C., p. 311.
Effective date.

Reserves and divi-
dends of land banks.
Amount carried to
reserve account.

Impairment restored
before dividend paid.
Dividend from bal-
ance of net earnings.

Substituted provi-
sions.

Vol. 39, p. 379.
U. S. C., p. 312,
amended.

Proviso.
Dividends declared
by joint-stock land
bank.

Vol. 39, p. 379.
U. S. C., p. 312.
Effective date.

Loan association
reserves and dividends.
Amount from net
earnings to reserves.

Impairment restored
before dividend paid.

Dividend from bal-
ance of net earnings.

may at its discretion declare a dividend to shareholders of the whole or any part of the balance of said net earnings."

Vol. 39, p. 372.
U. S. C., p. 306.
Post, p. 1548.

SEC. 5. Section 13 of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 7, sec. 781), is amended by adding at the end thereof a new paragraph to read as follows:

Powers of Federal
land banks.
Extension of due date
of unpaid obligations.

"Tenth. When in the judgment of the directors conditions justify it, to extend, in whole or in part, any obligation that may be or become unpaid under the terms of any mortgage, and to accept payment of any such obligation during a period of five years or less from the date of such extension in such amounts as may be agreed upon at the date of making such extension. The sum of \$25,000,000 of the amount authorized to be appropriated under section 5 of this Act, as amended, shall be used exclusively for the purpose of supplying any bank with funds to use in its operations in place of any amounts of which such bank may be deprived by reason of extensions made as provided in this paragraph."

Sum authorized for
reimbursement of
banks.

Rules and regula-
tions to be prescribed.

SEC. 6. The Federal Farm Loan Board is authorized to make such rules and regulations, not inconsistent with law, as it deems necessary or requisite for the efficient execution of the provisions of the Federal Farm Loan Act, and/or any Act or Acts amendatory thereof or supplementary thereto.

Approved, January 23, 1932.

[CHAPTER 10.]

JOINT RESOLUTION

January 27, 1932.
[H. J. Res. 230.]
[Pub. Res., No. 7.]

Making an appropriation to enable the United States of America to make payments upon subscriptions to the capital stock of the Reconstruction Finance Corporation.

Reconstruction Fi-
nance Corporation.
Appropriation for
subscriptions to capital
stock of.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$500,000,000, to remain available until expended, for subscriptions to the capital stock of the Reconstruction Finance Corporation in accordance with the provisions of section 2 of the Act of the Seventy-second Congress entitled "An Act to provide emergency financing facilities for financial institutions, to aid in financing agriculture, commerce, and industry, and for other purposes."

Ante, p. 5.

Approved, January 27, 1932.

[CHAPTER 11.]

AN ACT

January 28, 1932.
[S. 573.]
[Public, No. 4.]

Granting the consent of Congress for the construction of a bridge across Clarks Fork River, near Ione, Pend Oreille County, in the State of Washington.

Clarks Fork River,
Washington, etc.,
may bridge at Ione.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby granted to Pend Oreille County, State of Washington, to construct, maintain, and operate a free highway bridge and approaches thereto across the Clarks Fork River, at a point suitable to the interests of navigation, at or near Ione, Washington, in accordance with the provisions of an Act entitled "An Act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Construction.
Vol. 34, p. 84.

Amendment.

SEC. 2. That the right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, January 28, 1932.