

**Editorial Notes**

## REFERENCES IN TEXT

This subchapter, referred to in the proviso to the fifth par., was in the original "this section", meaning section 25 of act Dec. 23, 1913, which is classified to this subchapter (§601 et seq.).

## CODIFICATION

Section is comprised of the first three undesignated pars. of section 25 of act Dec. 23, 1913, which comprises this subchapter.

The fourth undesignated par. of section 25 is classified to section 602 of this title.

The fifth undesignated par. of section 25 is classified to section 603 of this title.

The sixth undesignated par. of section 25 is classified to section 604 of this title.

The former seventh undesignated par. was classified to former section 605 of this title.

The seventh undesignated par. is classified to section 604a of this title.

## AMENDMENTS

1966—Pub. L. 89-485 struck out "either or both of" before "the following powers" in introductory par.

Par. Third. Pub. L. 89-485 added par. Third.

1919—Act Sept. 17, 1919, added par. beginning "Until January 21, 1921" and inserted "financial" in first sentence of last par.

1916—Act Sept. 7, 1916, among other changes, added par. Second, and provisions relating to restrictions on purchasing stock in other banks, investigations as to compliance with regulations, disposal of interest and separation of accounts, etc. which are now contained in section 602 et seq. of this title.

**Statutory Notes and Related Subsidiaries**

## CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

## STUDY BY SECRETARY OF THE TREASURY OF DISCRIMINATORY PRACTICES BY FOREIGN NATIONS AGAINST UNITED STATES BANKS; REPORT AND RECOMMENDATIONS TO CONGRESS

Pub. L. 95-369, §9(a), formerly §9, Sept. 17, 1978, 92 Stat. 623, renumbered Pub. L. 95-630, title III, §311, Nov. 10, 1978, 92 Stat. 3678, provided that the Secretary of the Treasury conduct a study of discriminatory practices by foreign nations against United States banks and report his findings and recommendations to Congress on or before one year after Sept. 17, 1978, along with a description of efforts taken by the United States to eliminate any foreign laws or practices that discriminate against United States banks or serve as a barrier to the financing of United States exports to any country.

**§ 602. Reports and examinations**

Every national banking association operating foreign branches shall be required to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and every member bank investing in the capital stock of banks or corporations described in section 601 of this title shall be required to furnish information concerning the condition of such banks or corporations to the Board of Governors of the Federal Reserve System upon demand, and the Board of Governors of the Federal Reserve System may order special examinations of the said branches, banks, or corporations at such time or times as it may deem best.

(Dec. 23, 1913, ch. 6, §25 (par.), 38 Stat. 273; Sept. 7, 1916, ch. 461, 39 Stat. 755; Sept. 17, 1919, ch. 60, §3, 41 Stat. 286; Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704.)

**Editorial Notes**

## CODIFICATION

Section is comprised of the fourth undesignated par. of section 25 of act Dec. 23, 1913, which comprises this subchapter. For classification of other pars. of section 25 of this Act, see Codification note under section 601 of this title.

## AMENDMENTS

1919—Act Sept. 17, 1919, substituted "above" for "subparagraph 2 of the first paragraph of this section" in the original, which for purposes of codification appears in text as a reference to section 601 of this title.

1916—Act Sept. 7, 1916, substituted "operating" for "which shall receive authority to establish foreign branches" and inserted "every member bank investing in the capital stock of banks or corporations described in subsection second of section 601 of this title".

**Statutory Notes and Related Subsidiaries**

## CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

**Executive Documents**

## EXCEPTION AS TO TRANSFER OF FUNCTIONS

Functions vested by any provision of law in Comptroller of the Currency, referred to in this section, not included in transfer of functions to Secretary of the Treasury, see note set out under section 1 of this title.

**§ 603. Restrictions imposed by Board of Governors of the Federal Reserve System on banks purchasing stock in corporations doing foreign business**

Before any national bank shall be permitted to purchase stock in any corporation described in section 601 of this title, the said corporation shall enter into an agreement or undertaking with the Board of Governors of the Federal Reserve System to restrict its operations or conduct its business in such manner or under such limitations and restrictions as the said board may prescribe for the place or places wherein such business is to be conducted. If at any time the Board of Governors of the Federal Reserve System shall ascertain that the regulations prescribed by it are not being complied with, said board is authorized and empowered to institute an investigation of the matter and to send for persons and papers, subpoena witnesses, and administer oaths in order to satisfy itself as to the actual nature of the transactions referred to. Should such investigation result in establishing the failure of the corporation in question, or of the national bank or banks which may be stockholders therein, to comply with the regulations laid down by the said Board of Governors of the Federal Reserve System, such national banks may be required to dispose of stock holdings in the said corporation upon reasonable notice.

(Dec. 23, 1913, ch. 6, §25 (par.), as added Sept. 7, 1916, ch. 461, 39 Stat. 755; amended Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704.)