§ 104. Entries in books; restrictions; amortization of securities. 1. No bank or trust company shall by any system of accounting or any device of bookkeeping, directly or indirectly enter any of its assets upon its books in the name of any individual, partnership, unincorporated association or of any other corporation, or under any title or designation that is not truly descriptive thereof, except as authorized by the provisions of this article.

2. The stocks, bonds and other interest-bearing securities purchased by a bank or trust company shall be entered on its books at the actual cost thereof, and shall not thereafter be carried upon the books at a valuation exceeding their cost as adjusted by amortization for the purpose of bringing them to par at maturity except that the same may be carried at cost if appropriate amortization reserve is set up for the purpose of bringing them to par at maturity. Where securities purchased at a premium are callable prior to maturity, the rate of amortization thereof shall be increased where necessary to such extent as shall reduce the amount at which such securities are carried upon the books to the call price at the date or dates upon which a call may be made; provided, however, that no adjustment for amortization or amortization reserve shall be required to be made on the books except when net profits are computed. The superintendent may by regulation vary the requirements of this subdivision to permit the amortization of premiums at the same rate as that required by federal tax statutes or regulations.

3. No bank or trust company shall, except with the written approval of the superintendent, enter on its books its real estate and the building or buildings thereon, or its fixtures, vaults, furniture and equipment, at a valuation exceeding the actual cost to such bank or trust company, or carry such real estate, building or buildings, fixtures, vaults, furniture or equipment at a valuation exceeding the actual cost less appropriate allowances for depreciation except that the same may be carried at cost if appropriate depreciation reserve is set up; provided, however, no adjustment for depreciation or depreciation reserve shall be required to be made on the books except when net profits are computed.

4. Real estate acquired by a bank or trust company, other than that acquired for use as a place of business, shall be entered on the books of the bank or trust company in conformity with the method of accounting for troubled debt restructurings approved by the financial accounting standards boards or such other method of accounting as may be authorized or required by rules and regulations of the superintendent of financial services.

The provisions of this subdivision shall not, except as the superintendent may otherwise require, apply to any parcel of real estate as to which the bank or trust company has exercised its option to transfer or convey such real estate to the veterans administration or the federal housing commissioner pursuant to insurance or guaranty.

5. Every bank and every trust company shall conform its methods of keeping its books and records to such orders in respect thereto as shall have been made and promulgated by the superintendent pursuant to article two of this chapter. Any bank or trust company that refuses or neglects to obey such order shall be subject to a penalty in an amount as determined pursuant to section forty-four of this chapter for each day it so refuses or neglects.

6. Every bank and every trust company holding any funds or money paid into court shall keep records in which it shall make an exact account thereof, including appropriate references to the order or orders pursuant to which such funds are held.