§ 384. Entries in books; restrictions; amortization of securities. 1. No savings and loan association 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 or 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 or other interest-bearing obligations purchased by a savings and loan association shall be entered on its books at the actual cost thereof, and shall not thereafter be carried upon its books at a valuation exceeding their cost as adjusted by amortization for the purpose of bringing them to par at maturity; and where securities purchased at a premium are callable prior to maturity, the rate of amortization thereof shall be increased when 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. No adjustment for amortization shall be required to be made on the books, except when the books are closed for the purpose of computing profits. 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 savings and loan association, without the written permission of the superintendent, shall 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 thereof to such savings and loan association, or carry such real estate, building or buildings, fixtures, vaults, furniture or equipment on its books at a valuation exceeding the actual cost less appropriate allowances for depreciation. No adjustment for depreciation shall be required to be made on the books except when the books are closed for the purpose of computing profits.

4. Real estate acquired by an association other than that acquired for use as a place of business, shall be entered on the books of the association in conformity with the method of accounting for troubled

debt restructurings approved by the financial accounting standards board or such other method of accounting as may be authorized or required by rules and regulations of the superintendent.

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 savings and loan association 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 savings and loan association shall conform its method of keeping its books and records to such orders in respect thereto as shall have been made and promulgated by the superintendent. Any savings and loan association that refuses or neglects to obey any 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.