

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 165 of Article 23 of the Code of Public General Laws of Maryland, Edition of 1924, title "Corporations," sub-title "Building and Homestead Associations," as the same was repealed and re-enacted by Chapter 26 of the Acts of the General Assembly of 1933 (Regular Session), be, and the same is hereby repealed and re-enacted, with amendments, so as to read as follows:

165. The payment of the unpaid installments and the premiums on the share or shares so purchased or redeemed, with interest on the money paid therefor as aforesaid, and all fines and penalties incurred in respect thereof by any member, shall be secured to such corporation, by mortgage on real or leasehold property, or by the hypothecation of stock of such corporation held by such member or by judgment of a court of law or by a justice of the peace or by a decree of a court of equity all as may be provided in the articles of association or by-laws; but in no case of hypothecation of stock no greater sum of money shall at any time be drawn out by any member than shall have been already paid in by him on all his shares at the time of said hypothecation, and all homestead or building associations organized under the laws of this State are hereby prohibited from investing in any other manner than in cash, fixtures, or loans on hypothecated stock of such association, judgments or decrees for payment of money rendered by courts in this State, mortgages on real or leasehold estate situate in this State, bonds of the United States, of this State, of the Home Owners Loan Corporation, a corporation created under an Act of the Congress of the United States, approved June 13, 1933. And any homestead or building association incorporated under the laws of this State shall, in addition to the foregoing, have full power, (1) to become a member of, or stockholder in the Federal Home Loan Bank in the district of which the State of Maryland is a part, and to that end to purchase stock in, or securities of, or to deposit money with such Federal Home Loan Bank, and to comply with all conditions of membership or credit in such bank; to borrow money from such bank and to pledge security therefor, including the right to repledge the shares of stock pledged as collateral security without securing the consent of the owner thereof, in accordance with, and to function under the terms of an Act of Congress entitled the "Federal Home Loan Bank Act," approved July 22, 1932, or any amendments thereto, including the rules and regulations promulgated thereunder