

stock, and that the bank is to be liquidated and is not to be permitted to resume business or to reorganize.

**§ 209.10 Other closed State member banks.**

Whenever a State member bank ceases to exercise banking functions without being placed in liquidation in accordance with the laws of the State in which it is located and without a receiver<sup>9</sup> appointed for it, and such bank has not within sixty days of the cessation of banking functions applied for withdrawal from membership in the Federal Reserve System as provided in part 208 of this chapter (Regulation H), the Federal Reserve Bank of the district in which such State member bank is located will furnish the Board of Governors of the Federal Reserve System with full information with reference to the facts involved in the case and with a definite recommendation as to whether the Board should require the State member bank to surrender its Federal Reserve Bank stock and terminate all rights and privileges of membership in the Federal Reserve System. Upon receipt of this advice, if termination of membership of the State member bank appears desirable, the Board will give the member bank notice of the date upon which a hearing will be held to determine whether its membership should be terminated. If, after such hearing, the membership of a State bank is terminated, the Board will direct the Federal Reserve Bank of the Federal Reserve district in which the member bank is located to cancel the Federal Reserve Bank stock as of the date of termination of membership and adjust accounts in the manner described in § 209.5(b).

**§ 209.11 Voluntary withdrawal from membership.**

Any State member bank desiring to withdraw from membership in the Federal Reserve System shall follow the procedure set forth in part 208 of this chapter (Regulation H), and when all applicable requirements of § 208.10 of

<sup>9</sup> The term *receiver* includes any person, commission, or other agency charged by law with the duty of winding up the affairs of the bank.

this chapter have been complied with the Federal Reserve Bank will cancel the Federal Reserve Bank stock held by the member bank as of the date of withdrawal from membership and will adjust accounts in the manner described in § 209.5(b).

**§ 209.12 Involuntary termination of membership.**

Any State member bank whose membership has been terminated for failure to comply with the provisions of the Federal Reserve Act or regulations of the Board of Governors of the Federal Reserve System shall surrender its Federal Reserve Bank stock as of the date membership is terminated and accounts will be adjusted in the manner described in § 209.5(b).

**§ 209.13 Cancellation of old and issue of new stock certificate.**

(a) Whenever a member bank changes its name it shall surrender to the Federal Reserve Bank the certificate of Federal Reserve Bank stock which was issued to it under its old name. If the Federal Reserve Bank has or is furnished with proof of the change of name, it will cancel the certificate so surrendered and will issue in lieu thereof to and in the name of the member bank surrendering it a new certificate for the number of shares represented by the certificate so surrendered.

(b) If a member bank has filed application for an increase or decrease in its holdings of Federal Reserve Bank stock pursuant to the provisions of § 209.3, or has acquired the Federal Reserve Bank stock from another Bank by virtue of a merger or consolidation of the kind described in § 209.5(a), it shall surrender the stock certificate previously issued to it and the certificate representing any stock so acquired, and the Federal Reserve Bank will issue a new certificate for the number of shares represented by the surrendered certificate or certificates decreased by the number of shares canceled or increased by the number of additional shares to be issued.

(c) In order to provide a convenient means for identifying shares of Federal Reserve Bank stock purchased and paid for prior to March 28, 1942, as to which