

transferee or pledgee a holder; and (4) if a pledge, effect a perfected security interest therein in favor of the pledgee. A transfer or pledge of book-entry Federal Financing Bank securities effected under this paragraph shall have priority over any transfer, pledge, or other interest, theretofore or thereafter effected or perfected under paragraph (b) of this section or in any other manner.

(b) A transfer or a pledge of transferable Federal Financing Bank securities, or any interest therein, which is maintained by a Reserve Bank (in its individual capacity or as fiscal agent of the United States) in a book-entry account under this part, including securities in book-entry form under § 811.2(a)(3), is effected, and a pledge is perfected, by any means that would be effective under applicable law to effect a transfer or to effect and perfect a pledge of the Federal Financing Bank securities, or any interest therein, if the securities were maintained by the Reserve Bank in bearer definitive form. For purposes of transfer or pledge hereunder, book-entry Federal Financing Bank securities maintained by a Reserve Bank shall, notwithstanding any provision of law to the contrary, be deemed to be maintained in bearer definitive form. A Reserve Bank maintaining book-entry Federal Financing Bank securities either in its individual capacity or as fiscal agent of the United States is not a bailee for purposes of notification of pledges of those securities under this subsection, or a third person in possession for purposes of acknowledgement of transfers thereof under this subsection. Where transferable Federal Financing Bank securities are recorded on the books of a depositary (a bank, banking institution, financial firm, or a similar party, which regularly accepts in the course of its business Federal Financing Bank securities as a custodial service for customers, and maintains accounts in the names of such customers reflecting ownership of or interest in such securities) for account of the pledgor or transferor thereof and such securities are on deposit with a Reserve Bank in a book-entry account hereunder, such depositary shall, for purposes of perfecting a pledge of such securities or effecting delivery of such securities to

a purchaser under applicable provisions of law, be the bailee to which notification of the pledge of the securities may be given or the third person in possession from which acknowledgment of the holding of the securities for the purchaser may be obtained. A Reserve Bank will not accept notice or advice of a transfer or pledge effected or perfected under this subsection, and any such notice or advice shall have no effect. A Reserve Bank may continue to deal with its depositor in accordance with the provisions of this part, notwithstanding any transfer or pledge effected or perfected under this subsection.

(c) No filing or recording with a public recording office or officer shall be necessary or effective with respect to any transfer or pledge of book-entry Federal Financing Bank securities or any interest therein.

(d) A Reserve Bank shall, upon receipt of appropriate instructions, convert book-entry Federal Financing Bank securities into definitive Federal Financing Bank securities and deliver them in accordance with such instructions; no such conversion shall affect existing interests in such Federal Financing Bank securities.

(e) A transfer of book-entry Federal Financing Bank securities within a Reserve Bank shall be made in accordance with procedures established by the Bank not inconsistent with this part. The transfer of book-entry Federal Financing Bank securities by a Reserve Bank may be made through a telegraphic transfer procedure.

(f) All requests for transfer or withdrawal must be made prior to the maturity or date of call of the securities.

§ 811.4 Withdrawal of Federal Financing Bank securities.

(a) A depositor of book-entry Federal Financing Bank securities may withdraw them from a Reserve Bank by requesting delivery of like definitive Federal Financing Bank securities to itself or on its order to a transferee.

(b) Federal Financing Bank securities which are actually to be delivered upon withdrawal may be issued either in registered or in bearer form, except that Federal Financing Bank bills will be issued in bearer form only.