

§ 933.23

12 CFR Ch. IX (1–1–99 Edition)

6(b), 10(c) and 10(e) of the Act, 12 U.S.C. 1426(b), 1430(c), 1430(e).

(The information collection requirements contained in this section have been approved where applicable by the Office of Management and Budget under control number 3069-0004)

[58 FR 43542, Aug. 17, 1993, as amended at 58 FR 50837, Sept. 29, 1993; 58 FR 53023, Oct. 13, 1993; 58 FR 58231, Oct. 29, 1993. Redesignated and amended at 61 FR 42542, 42549, Aug. 16, 1996; 63 FR 65692, Nov. 30, 1998]

§ 933.23 Purchase of excess stock.

A member may purchase stock in excess of the minimum amount required by § 933.20(a) of this part as long as such purchase is approved by the member's Bank and the laws under which the member operates permit such purchase.

[58 FR 43542, Aug. 17, 1993. Redesignated and amended at 61 FR 42542, 42549, Aug. 16, 1996]

**Subpart E—Consolidations
Involving Members**

SOURCE: 58 FR 43542, Aug. 17, 1993, unless otherwise noted. Redesignated at 61 FR 42542, Aug. 16, 1996.

§ 933.24 Consolidations of members.

(a) *Consolidation of members in same district*—(1) Upon consolidation of two or more member institutions which are all members of the same Bank district into one institution operating under the charter of one of the consolidating institutions, the transfer of the Bank stock held by the disappearing institution(s) to the consolidated institution shall be deemed approved by the Board pursuant to section 6(f) of the Act, 12 U.S.C. 1426(f).

(2) The stock of the disappearing institution(s) held by a consolidated institution under this section may be redeemed, provided that the consolidated institution holds the minimum amount of stock calculated in the manner set forth in § 933.20(a) of this part based on the consolidated institution's total assets and the consolidated institution's stock holdings are not reduced to an amount less than required by sections 6(b), 10(c) and 10(e) of the Act, 12 U.S.C. 1426(b), 1430(c), 1430(e).

(b) *Consolidation of members in different districts*—(1) *Termination of membership*. Upon consolidation of two member institutions which are members of different Banks into one institution operating under the charter of one of the consolidating institutions, the disappearing institution's membership terminates upon cancellation of its charter, except that if more than 80 percent of the assets of the consolidated institution are derived from the assets of the disappearing institution, then the consolidated institution shall continue to be a member of the Bank of which the disappearing institution was a member prior to the consolidation and the membership of the other institution terminates upon consummation of the consolidation.

(2) *Treatment of outstanding advances and Bank stock*. The liquidation of any outstanding indebtedness owed to the disappearing institution's Bank and redemption of stock of such Bank shall be carried out in accordance with § 933.29 of this part.

(3) *Dividends on acquired Bank stock*. The consolidated institution is entitled to receive dividends on outstanding Bank stock acquired in the consolidation from the disappearing institution in accordance with section 6(g) of the Act, 12 U.S.C. 1426(g), and § 934.17 of this chapter.

[58 FR 43542, Aug. 17, 1993. Redesignated and amended at 61 FR 42542, 42549, Aug. 16, 1996; 63 FR 65692, Nov. 30, 1998]

§ 933.25 Consolidations involving non-members.

(a) *Termination of membership*. If a member is consolidated into an institution that is not a member, its membership in the Bank terminates upon cancellation of its charter.

(b) *Notification of decision to seek membership*. When a consolidated institution resulting from a consolidation described in paragraph (a) of this section has its principal place of business in a state in the same Bank district as the disappearing institution, the consolidated institution shall have 60 calendar days after the cancellation of the charter of the disappearing institution to notify the disappearing institution's Bank that it intends to apply for membership in such Bank.