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banks in organization or state nonmember bank converting into a national bank, upon authorization or approval by the Comptroller of the Currency), the Reserve Bank shall issue the appropriate number of shares by crediting the bank with the appropriate number of shares on its books. In the case of a mutual savings bank not authorized to purchase Reserve Bank stock, the Reserve Bank will accept the deposit or addition to the deposit in place of issuing shares. The remaining half of the subscription or additional subscription (including subscriptions for deposits or additions to deposits) shall be subject to call by the Board.

(e) *Payment for cancellations.* (1) Upon approval of an application for cancellation of Reserve Bank capital stock, or (in the case of involuntary termination of membership) upon the effective date of cancellation specified in §209.3(c)(3), the Reserve Bank shall reduce the bank's shareholding on the Reserve Bank's books by the number of shares required to be canceled and shall pay therefor a sum equal to the cash subscription paid on the canceled stock plus accrued dividends (at the rate specified in paragraph (d) of this section), such sum not to exceed the book value of the stock.[5]

(2) In the case of any cancellation of Reserve Bank stock under this Part, the Reserve Bank may first apply such sum to any liability of the bank to the Reserve Bank and pay over the remainder to the bank (or receiver or conservator, as appropriate).

§209.5 The share register.

(a) *Electronic or written record.* A member bank's holding of Reserve Bank capital stock shall be represented by one (or at the option of the Reserve Bank, more than one) notation on the Reserve Bank's books. Such books may be electronic or in writing. Upon any issue or cancellation of Reserve Bank capital stock, the Reserve Bank shall record the member bank's new share position in its books (or eliminate the bank's share position from its books, as the case may be).

(b) *Certification.* A Reserve Bank may certify on request as to the number of shares held by a member bank and purchased before March 28, 1942, or as to the purchase and cancellation dates and prices of shares cancelled, as the case may be.

[5] Under sections 6 and 9(10) of the Act, a Reserve Bank is under no obligation to pay unearned accrued dividends on redemption of its capital stock from an insolvent member bank for which a receiver has been appointed or from state member banks on voluntary withdrawal from or involuntary termination of membership.

PART 210—COLLECTION OF CHECKS AND OTHER ITEMS BY FEDERAL RESERVE BANKS AND FUNDS TRANSFERS THROUGH FEDWIRE (REGULATION J)

Subpart A—Collection of Checks and Other Items By Federal Reserve Banks

Sec.
210.1 Authority, purpose, and scope.
210.2 Definitions.
210.3 General provisions.
210.4 Sending items to Reserve Banks.
210.5 Sender's agreement; recovery by Reserve Bank.
210.6 Status, warranties, and liability of Reserve Bank.
210.7 Presenting items for payment.
210.8 Presenting noncash items for acceptance.
210.9 Settlement and payment.
210.10 Time schedule and availability of credits for cash items and returned checks.
210.11 Availability of proceeds of noncash items; time schedule
210.12 Return of cash items and handling of returned checks.
210.13 Unpaid items.
210.14 Extension of time limits.
210.15 Direct presentment of certain warrants.

Subpart B—Funds Transfers Through Fedwire

210.25 Authority, purpose, and scope.
210.26 Definitions.
210.27 Reliance on identifying number.
210.28 Agreement of sender.
210.29 Agreement of receiving bank.
210.30 Payment orders.
210.31 Payment by a Federal Reserve Bank to a receiving bank or beneficiary.
210.32 Federal Reserve Bank liability; payment of interest.

APPENDIX A TO SUBPART B—COMMENTARY
APPENDIX B TO SUBPART B—ARTICLE 4A, FUNDS TRANSFERS