

Federal Financing Bank

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and maturity date; (b) effect conversions between book-entry Federal Financing Bank securities and definitive Federal Financing Bank securities; (c) otherwise service and maintain book-entry Federal Financing Bank securities; and (d) issue a confirmation of transaction in the form of a written advice (serially numbered or otherwise) which specifies the amount and description of any securities, that is, loan title (or series) and maturity date, sold or transferred and the date of the transaction.

§811.2 Scope and effect of book-entry procedure.

(a) A Reserve Bank, as fiscal agent of the United States acting on behalf of the Federal Financing Bank, may apply the book-entry procedure provided for in this part to any Federal Financing Bank securities which have been or are hereafter deposited for any purpose in accounts with it in its individual capacity under terms and conditions which indicate that the Reserve Bank will continue to maintain such deposit accounts in its individual capacity, notwithstanding application of the book-entry procedure to such securities. This paragraph is applicable, but not limited, to securities deposited:

(1) As collateral pledged to a Reserve Bank (in its individual capacity) for advances by it;

(2) By a member bank for its sole account;

(3) By a member bank held for the account of its customers;

(4) In connection with deposits in a member bank of funds of States, municipalities, or other political subdivisions; or,

(5) In connection with the performance of an obligation or duty under Federal, State, municipal, or local law, or judgments or decrees of courts.

The application of the book-entry procedure under this paragraph shall not derogate from or adversely affect the relationship that would otherwise exist between a Reserve Bank in its individual capacity and its depositors covering any deposits under this paragraph. Whenever the book-entry procedure is applied to such Federal Financing Bank securities, the Reserve Bank is authorized to take all action nec-

essary in respect of the book-entry procedure to enable such Reserve Bank in its individual capacity to perform its obligations as depository with respect to such Federal Financing Bank securities.

(b) A Reserve Bank, as fiscal agent of the United States acting on behalf of the Federal Financing Bank, shall apply the book-entry procedure to Federal Financing Bank securities deposited as collateral pledged to the United States under current revisions of Department of the Treasury Circulars Nos. 92 and 176 (31 CFR, parts 203 and 202), and may apply the book-entry procedure, with the approval of the Secretary of the Treasury, to any other Federal Financing Bank securities deposited with a Reserve Bank, as fiscal agent of the United States.

(c) Any person having an interest in Federal Financing Bank securities which are deposited with a Reserve Bank (in either its individual capacity or as fiscal agent of the United States) for any purpose shall be deemed to have consented to their conversion to book-entry Federal Financing Bank securities pursuant to the provisions of this part, and in the manner and under the procedures prescribed by the Reserve Bank.

(d) No deposits shall be accepted under this section on or after the date of maturity or call of the securities.

§811.3 Transfer or pledge.

(a) A transfer or a pledge of book-entry Federal Financing Bank securities to a Reserve Bank (in its individual capacity or as fiscal agent of the United States), or to the United States, or to any transferee or pledgee eligible to maintain an appropriate book-entry account in its name with a Reserve Bank under this part, is effected and perfected, notwithstanding any provision of law to the contrary, by a Reserve Bank making an appropriate entry in its records of the securities transferred or pledged. The making of such an entry in the records of a Reserve Bank shall:

(1) Have the effect of a delivery in bearer form of definitive Federal Financing Bank securities; (2) have the effect of a taking of delivery by the transferee or pledgee; (3) constitute the

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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 depository (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 depository 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