

cept that such company shall not by reason of this paragraph be deemed a bank holding company for the purpose of section 3 of the Bank Holding Company Act of 1956 [12 U.S.C. 1842].

(Dec. 23, 1913, ch. 6, §25A (par.), formerly §25(a), as added Dec. 24, 1919, ch. 18, 41 Stat. 378; amended Aug. 23, 1935, ch. 614, title III, §329, 49 Stat. 717; Pub. L. 95-369, §3(f), Sept. 17, 1978, 92 Stat. 609; Pub. L. 100-86, title I, §102(c)(1), Aug. 10, 1987, 101 Stat. 566; renumbered §25A, Pub. L. 102-242, title I, §142(e)(2), Dec. 19, 1991, 105 Stat. 2281.)

#### REFERENCES IN TEXT

This subchapter, referred to in text, was in the original "this section", meaning section 25A of act Dec. 23, 1913, which is classified to this subchapter (§611 et seq.).

The International Banking Act of 1978, referred to in text, is Pub. L. 95-369, Sept. 17, 1978, 92 Stat. 607, which enacted chapter 32 (§3101 et seq.) and sections 347d and 611a of this title, amended this section and sections 72, 378, 614, 615, 618, 1813, 1815, 1817, 1818, 1820, 1821, 1822, 1823, 1828, 1829b, 1831b, and 1841 of this title, and enacted provisions set out as notes under sections 247, 611a, and 3101 of this title and formerly set out as notes under sections 36, 247, and 601 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

Subchapter I of this chapter, referred to in text, was in the original "section 25", meaning section 25 of the Federal Reserve Act, which is classified to subchapter I (§601 et seq.) of this chapter.

The Bank Holding Company Act of 1956, referred to in text, is act May 9, 1956, ch. 240, 70 Stat. 133, as amended, which is classified principally to chapter 17 (§1841 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1841 of this title and Tables.

#### CODIFICATION

Section is comprised of par. 11 (undesignated) of section 25A of act Dec. 23, 1913, which comprises this subchapter. For complete classification of section 25A of this Act, see Codification note set out under section 611 of this title.

#### AMENDMENTS

1987—Pub. L. 100-86 inserted provisions which related to any company, other than bank as defined in section 2 of Bank Holding Company Act of 1956, that after Mar. 5, 1987, directly or indirectly acquires control of corporation organized or operating under provisions of this subchapter or subchapter I of this chapter to be subject to provisions of Bank Holding Company Act of 1956 in same manner and to same extent that bank holding companies are subject thereto, except that such company shall not by reason of this paragraph be deemed bank holding company for purpose of section 3 of such Act.

1978—Pub. L. 95-369 inserted "Except as otherwise provided in this subchapter" before "a majority of the shares", and inserted provision relating to the ownership of 50 per centum of the shares of capital stock by a foreign bank with prior approval of the Board of Governors of the Federal Reserve System.

1935—Act Aug. 23, 1935, struck out provisions relating to application of section 19 of title 15, to directors, officers or employees of corporations organized under sections 611-631 of this title, and excepting certain persons who received approval of Federal Reserve Board, from application of this section.

#### EXCEPTION FOR MIDLAND BANK, LONDON, ENGLAND

Pub. L. 100-86, title I, §102(c)(2), Aug. 10, 1987, 101 Stat. 566, provided that: "The amendment made by paragraph (1) [amending this section] does not apply to an acquisition pursuant to the application by Midland

Bank, plc, London, England, pending before the Board of Governors of the Federal Reserve System on July 1, 1987, to acquire a corporation organized or operating under section 25(a) [now 25A] of the Federal Reserve Act [12 U.S.C. 611 et seq.]. If Midland Bank, plc, London, England, is not otherwise subject to section 4 of the Bank Holding Company Act of 1956 [12 U.S.C. 1843], the financial activities of Midland Bank, plc, London, England, in the United States shall, upon the determination of the Board of Governors of the Federal Reserve System made at any time, be subject to section 4 of the Bank Holding Company Act of 1956."

#### § 620. Members of Board of Governors of the Federal Reserve System without interest in corporation

No member of the Board of Governors of the Federal Reserve System shall be an officer or director of any corporation organized under the provisions of this subchapter or of any corporation engaged in similar business organized under the laws of any State, nor hold stock in any such corporation, and before entering upon his duties as a member of the Board of Governors of the Federal Reserve System he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement.

(Dec. 23, 1913, ch. 6, §25A (par.), formerly §25(a), as added Dec. 24, 1919, ch. 18, 41 Stat. 378; amended Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704; renumbered §25A, Pub. L. 102-242, title I, §142(e)(2), Dec. 19, 1991, 105 Stat. 2281.)

#### REFERENCES IN TEXT

This subchapter, referred to in text, was in the original "this section", meaning section 25A of act Dec. 23, 1913, which is classified to this subchapter (§611 et seq.).

#### CODIFICATION

Section is comprised of par. 12 (undesignated) of section 25A of act Dec. 23, 1913, which comprises this subchapter. For complete classification of section 25A of this Act, see Codification note set out under section 611 of this title.

#### CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

#### § 621. Liability of shareholders on unpaid subscriptions; membership of corporation in Federal reserve bank prohibited

Shareholders in any corporation organized under the provisions of this subchapter shall be liable for the amount of their unpaid stock subscriptions. No such corporation shall become a member of any Federal reserve bank.

(Dec. 23, 1913, ch. 6, §25A (par.), formerly §25(a), as added Dec. 24, 1919, ch. 18, 41 Stat. 378; renumbered §25A, Pub. L. 102-242, title I, §142(e)(2), Dec. 19, 1991, 105 Stat. 2281.)

#### REFERENCES IN TEXT

This subchapter, referred to in text, was in the original "this section", meaning section 25A of act Dec. 23, 1913, which is classified to this subchapter (§611 et seq.).

#### CODIFICATION

Section is comprised of par. 13 (undesignated) of section 25A of act Dec. 23, 1913, which comprises this subchapter. For complete classification of section 25A of this Act, see Codification note set out under section 611 of this title.

**§ 622. Forfeiture of rights and privileges; dissolution; liability of directors and officers**

Should any corporation organized under this subchapter violate or fail to comply with any of the provisions of this subchapter, all of its rights, privileges, and franchises derived herefrom may thereby be forfeited. Before any such corporation shall be declared dissolved, or its rights, privileges, and franchises forfeited, any noncompliance with or violation of such laws shall, however, be determined and adjudged by a court of the United States of competent jurisdiction, in a suit brought for that purpose in the district or territory in which the home office of such corporation is located, which suit shall be brought by the United States at the instance of the Board of Governors of the Federal Reserve System or the Attorney General. Upon adjudication of such noncompliance or violation, each director and officer who participated in, or assented to, the illegal act or acts shall be liable in his personal or individual capacity for all damages which the said corporation shall have sustained in consequence thereof. No dissolution shall take away or impair any remedy against the corporation, its stockholders, or officers for any liability or penalty previously incurred.

(Dec. 23, 1913, ch. 6, §25A (par.), formerly §25(a), as added Dec. 24, 1919, ch. 18, 41 Stat. 378; amended Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704; renumbered §25A, Pub. L. 102-242, title I, §142(e)(2), Dec. 19, 1991, 105 Stat. 2281.)

REFERENCES IN TEXT

Organized under this subchapter, referred to in text, was in the original "organized hereunder", meaning under section 25A of act Dec. 23, 1913, which comprises this subchapter (§611 et seq.).

This subchapter, referred to in text, was in the original "this section", meaning section 25A of act Dec. 23, 1913.

CODIFICATION

Section is comprised of par. 14 (undesignated) of section 25A of act Dec. 23, 1913, which comprises this subchapter. For complete classification of section 25A of this Act, see Codification note set out under section 611 of this title.

CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

**§ 623. Voluntary liquidation**

Any corporation organized under this subchapter may go into voluntary liquidation and be closed by a vote of its shareholders owning two-thirds of its stock.

(Dec. 23, 1913, ch. 6, §25A (par.), formerly §25(a), as added Dec. 24, 1919, ch. 18, 41 Stat. 378; renumbered §25A, Pub. L. 102-242, title I, §142(e)(2), Dec. 19, 1991, 105 Stat. 2281.)

REFERENCES IN TEXT

Any corporation organized under this subchapter, referred to in text, was in the original "Any such corporation".

CODIFICATION

Section is comprised of par. 15 (undesignated) of section 25A of act Dec. 23, 1913, which comprises this sub-

chapter. For complete classification of section 25A of this Act, see Codification note set out under section 611 of this title.

**§ 624. Appointment of receiver or conservator**

(A) IN GENERAL.—The Board may appoint a conservator or receiver for a corporation organized under the provisions of this subchapter to the same extent and in the same manner as the Comptroller of the Currency may appoint a conservator or receiver for a national bank, and the conservator or receiver for such corporation shall exercise the same powers, functions, and duties, subject to the same limitations, as a conservator or receiver for a national bank.

(B) EQUIVALENT AUTHORITY.—The Board shall have the same authority with respect to any conservator or receiver appointed for a corporation organized under the provisions of this subchapter under this section and any such corporation as the Comptroller of the Currency has with respect to a conservator or receiver of a national bank and the national bank for which a conservator or receiver has been appointed.

(C) TITLE 11 PETITIONS.—The Board may direct the conservator or receiver of a corporation organized under the provisions of this subchapter to file a petition pursuant to title 11, in which case, title 11 shall apply to the corporation in lieu of otherwise applicable Federal or State insolvency law.

(Dec. 23, 1913, ch. 6, §25A(16), formerly §25(a) (par.), as added Dec. 24, 1919, ch. 18, 41 Stat. 378; amended Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704; renumbered §25A (par.), Pub. L. 102-242, title I, §142(e)(2), Dec. 19, 1991, 105 Stat. 2281; renumbered §25A(16), and amended Pub. L. 106-554, §1(a)(5) [title I, §112(e)], Dec. 21, 2000, 114 Stat. 2763, 2763A-396.)

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original "this section", meaning section 25A of act Dec. 23, 1913, which is classified to this subchapter (§611 et seq.).

CODIFICATION

Section is comprised of par. (16) of section 25A of act Dec. 23, 1913, which comprises this subchapter. For complete classification of section 25A of this Act, see Codification note set out under section 611 of this title.

AMENDMENTS

2000—Pub. L. 106-554 amended section catchline and text generally. Prior to amendment, text read as follows: "Whenever the Board of Governors of the Federal Reserve System shall become satisfied of the insolvency of any corporation organized under this subchapter, it may appoint a receiver who shall take possession of all of the property and assets of the corporation and exercise the same rights, privileges, powers, and authority with respect thereto as are now exercised by receivers of national banks appointed by the Comptroller of the Currency of the United States: *Provided, however,* That the assets of the corporation subject to the laws of other countries or jurisdictions shall be dealt with in accordance with the terms of such laws."

**§ 625. Stockholders' meetings; books and records; reports; examination**

Every corporation organized under the provisions of this subchapter shall hold a meeting of its stockholders annually upon a date fixed in its bylaws, such meeting to be held at its home