

(4) Par value

The term “par value” means—

- (A) in the case of stock, par value;
- (B) in the case of participation certificates and other equities and interests not described in subparagraph (C), face or equivalent value; or
- (C) in the case of participation certificates and allocated equities subject to retirement under a revolving cycle but that a System institution elects to retire out of order for application against a loan in default or otherwise as provided in this chapter, par or face value discounted, at a rate determined by the institution, to reflect the present value of the equity or interest as of the date of such retirement.

(Pub. L. 92-181, title IV, §4.9A, as added Pub. L. 100-233, title I, §101, Jan. 6, 1988, 101 Stat. 1572; amended Pub. L. 100-399, title I, §101(b)-(d), Aug. 17, 1988, 102 Stat. 989.)

PRIOR PROVISIONS

A prior section 4.9A of Pub. L. 92-181, which authorized a central reserve for Farm Credit System, was classified to section 2161 of this title and was repealed by Pub. L. 100-399, §101(a).

AMENDMENTS

1988—Subsec. (a). Pub. L. 100-399, §101(b), struck out provision that an institution whose capital stock is impaired coordinate retirement of stock under this section with the activities of the Assistance Board and the Financial Assistance Corporation.

Subsec. (c). Pub. L. 100-399, §101(c), inserted “stock” in subsec. heading and amended text generally. Prior to amendment, text read as follows: “If an institution is unable to retire eligible borrower stock at par value due to the freezing of such stock during a liquidation of the institution, the receiver of the institution shall retire such stock at par value as would have been retired in the ordinary course of business of the institution and the Financial Assistance Corporation, on request of the Assistance Board, shall provide the receiver with sufficient funds to enable the receiver to carry out this subsection.”

Subsec. (d)(2)(B). Pub. L. 100-399, §101(d), in introductory provision substituted “issued or allocated” for “required to be purchased, and is purchased, as a condition of obtaining a loan made” and in cl. (i) substituted “section 2154a of this title” for “section 4.9B”.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective as if enacted immediately after enactment of Pub. L. 100-233, which was approved Jan. 6, 1988, see section 1001(a) of Pub. L. 100-399, set out as a note under section 2002 of this title.

PART B—DISSOLUTION

CODIFICATION

Pub. L. 100-233, title IV, §418(a)(1), formerly §415(a)(1), Jan. 6, 1988, 101 Stat. 1653, renumbered §418(a)(1), Pub. L. 100-399, title IV, §409(a), Aug. 17, 1988, 102 Stat. 1003, substituted “Dissolution” for “Dissolution and merger” as part B heading.

§§ 2181, 2182. Repealed. Pub. L. 100-233, title IV, § 418(a)(2), (3), formerly § 415(a)(2), (3), Jan. 6, 1988, 101 Stat. 1653; renumbered § 418(a)(2), (3), Pub. L. 100-399, title IV, § 409(a), Aug. 17, 1988, 102 Stat. 1003

Section 2181, Pub. L. 92-181, title IV, §4.10, Dec. 10, 1971, 85 Stat. 612; Pub. L. 96-592, title IV, §402, Dec. 24, 1980, 94 Stat. 3446, related to merger of similar banks.

Section 2182, Pub. L. 92-181, title IV, §4.11, Dec. 10, 1971, 85 Stat. 612; Pub. L. 99-205, title II, §205(f)(4), Dec. 23, 1985, 99 Stat. 1706, related to board of directors for merged bank.

§ 2183. Dissolution; voluntary or involuntary liquidation; mergers; receiverships or conservators

(a) Voluntary liquidation; consent of Farm Credit Administration; rules and regulations; minimization of adverse effect; voluntary merger; mandatory merger on failure to comply or meet obligations

No institution of the System shall go into voluntary liquidation without the consent of the Farm Credit Administration and with such consent may liquidate only in accordance with regulations prescribed by the Farm Credit Administration. In the case of a voluntary liquidation of an association, such regulations, among other things, shall direct the supervising bank to institute such measures as it deems appropriate to minimize the adverse effect of the liquidation on those borrowers whose loans are purchased by or otherwise transferred to another System institution. The Farm Credit Administration Board may require an association to merge with another association whenever it determines, with the concurrence of the board of the supervising bank, that an association has failed to meet its outstanding obligations or failed to conduct its operations in accordance with this chapter.

(b) Appointment of conservator or receiver; grounds; action for removal; stay of actions or proceedings

The Farm Credit Administration Board may appoint a conservator or receiver for any System institution on the determination by the Farm Credit Administration Board that one or more of the following exists, or is occurring, with respect to the institution: (1) insolvency, in that the assets of the institution are less than its obligations to its creditors and others, including its members; (2) substantial dissipation of assets or earnings due to any violation of law, rules, or regulations, or to any unsafe or unsound practice; (3) an unsafe or unsound condition to transact business; (4) willful violation of a cease and desist order that has become final; (5) concealment of books, papers, records, or assets of the institution or refusal to submit books, papers, records, or other material relating to the affairs of the institution for inspection to any examiner or to any lawful agent of the Farm Credit Administration; (6) the institution is unable to timely pay principal or interest on any insured obligation (as defined in section 2277a(3) of this title) issued by the institution. The Farm Credit Administration Board shall have exclusive power and jurisdiction to appoint a conservator or receiver, and such receiver or conservator, after the 5-year period beginning on January 6, 1988, shall be the Farm Credit System Insurance Corporation. If the Farm Credit Administration Board determines that a ground for the appointment of a conservator or receiver as herein provided exists, the Farm Credit Administration Board may appoint ex parte and without notice a conservator or receiver for the institution. In the event of such appointment,