

(vii) Subpart H, Assignments in Behalf of Estates of Deceased Owners.

(viii) Subpart I, Assignments by or in Behalf of Trustees and Similar Fiduciaries.

(ix) Subpart J, Assignments in Behalf of Private or Public Organizations.

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**§ 1901.507 Certificates of beneficial ownership issued by the FmHA or its successor agency under Public Law 103-354 Finance Office.**

(a) *Orders and payment.* Orders for investment in certificates may be placed with the Finance Office by mail, telephone, or in person. Payment for purchase of certificates may be made by a wire transfer to the Federal Reserve Bank of St. Louis for credit to the Farmers Home Administration or its successor agency under Public Law 103-354, by a certified check or bank draft payable to the Farmers Home Administration or its successor agency under Public Law 103-354. The rate of interest paid on the certificate will be the rate in effect on the date the Finance Office receives the payment.

(b) *Registration.* (1) The registration used must express the actual ownership of a certificate and may not restrict the authority of the owner to dispose of it in any manner. FmHA or its successor agency under Public Law 103-354 reserves the right to treat the registration as conclusive ownership. Request for registration must be clear, accurate, and complete, and include the appropriate taxpayer identifying number or social security number.

(2) The registration of all certificates owned by the same person, organization, or fiduciary should be uniform with respect to the name of the owner and, in case of fiduciary, the description of the fiduciary capacity. Individual owners should be designated by the names by which they are ordinarily known or under which they do business, preferably including at least one full given name. The name of an indi-

vidual may be preceded by an applicable title, as, for example "Mrs.," "Mr.," "Miss," "Ms.," "Dr.," or "Rev.," or followed by a designation such as "M.D.," "D.D.," "Sr.," or "Jr.," Any other similar suffix should be included when ordinarily used or when necessary to distinguish the owner from another member of his family. The address should include, where appropriate, the name and street, route, or any other location feature, and zip code.

(3) If an erroneously inscribed certificate is received, it should not be altered in any respect. FmHA or its successor agency under Public Law 103-354 should be given full particulars about the error and asked to furnish instructions.

(c) *Transfers and exchanges—closed periods*—(1) *General.* Transfer of registered certificates should be made by assignment in accordance with this section. Registered securities are eligible for denominational exchange. Specific instructions for issuance and delivery of new certificates signed by the owner or the owner's authorized representative must accompany the certificates presented. Certificates presented for transfer must be received by FmHA or its successor agency under Public Law 103-354 not less than 1 full month before the date on which they mature. Any certificates so presented which are received too late to comply with this provision will be accepted for payment only.

(2) *Closing of transfer books.* The transfer books are closed for 1 full month preceding interest payment dates. If the date set for closing falls on Saturday, Sunday, or a legal holiday, the books will be closed as of the close of business on the last business day preceding that date. The books are reopened on the first business day following the date on which interest falls due. Registered certificates which have not matured, or have been submitted for transfer and are received when the books are closed for that certificate, will be processed on or after the date such books are reopened. If certificates are received for transfer when the books are closed for payment of final

interest at maturity, the following action will be taken in the absence of different instructions:

(i) Payment of final interest will be made to the registered owner of record on the date the books were closed.

(ii) Payment of principal will be made to the assignee under a proper assignment of the certificate.

(d) *Redemption or payment*—(1) *General*. Certificates are payable in regular course of business at maturity. FmHA or its successor agency under Public Law 103-354 may provide for the exchange of maturing certificates. The registered certificates should be presented and surrendered for redemption at the FmHA or its successor agency under Public Law 103-354 Finance Office. No assignments or evidence in support of them will be required by or on behalf of the registered owner or assignee for redemption for his or its account, or for redemption-exchange if the new certificates are to be registered in exactly the same names and forms as in the registrations or assignments of the certificates surrendered.

(2) *Redemption at maturity*. Registered certificates presented and surrendered for redemption at maturity need not be assigned unless the owner desires that payment be made to some other person. Should the owner so desire assignments should be made to the “Farmers Home Administration or its successor agency under Public Law 103-354 for redemption for the account of (inserting name and address of person to whom payment is to be made).” Specific instructions for the issuance and delivery of the redemption check signed by the owner or the owner’s authorized representative must accompany the certificates unless included in the assignment. Payment of the principal and interest will be made by a check drawn on the Treasurer of the United States to the order of the person entitled and mailed in accordance with the instructions received. If instructions are not received concerning interest, interest will be paid to the registered owner.

(3) *Interest*. The interest on FmHA or its successor agency under Public Law 103-354 certificates accrues and is payable annually. A full interest period does not include the day on which the last preceding interest became due, but

does include the day on which the next succeeding interest payment is due. Certificates will cease to bear interest on the date of their maturity. The interest on registered certificates is payable by checks drawn on the Treasurer of the United States to the order of the registered owners, except as otherwise provided in this section. FmHA or its successor agency under Public Law 103-354 prepares the interest checks in advance of the interest payment date and ordinarily mails them in time to reach the addressees on that date. Interest on a registered certificate which has not matured and which is presented for any transaction when the books for that certificate are closed will be paid by check drawn to the order of the registered owner of record. On receipt of notice of the death or incompetency of an individual named as registered owner, a change in the name or in the status of a partnership, corporation, or unincorporated association, the removal, resignation, succession, or death of a fiduciary or trustee, delivery of interest checks will be withheld pending receipt and approval of evidence showing who is entitled to receive the interest checks. If the inscriptions on certificates do not clearly identify the owners, delivery of interest checks may be withheld pending reissue of the certificates in the correct registration, except as provided in this section. The final installment of interest will be paid by check drawn to the order of the registered owner of record on presentation and surrender of the certificate for redemption. To assure timely delivery of interest checks, owners should promptly notify FmHA or its successor agency under Public Law 103-354 of any change of address.

(e) *Assignments*. Assignments of certificates should be executed by the owner or the owner’s authorized representative in the presence of an officer authorized to certify assignments. Assignments shall be made on the back of the certificate. Registered certificates may be assigned to a specified transferee or to FmHA or its successor agency under Public Law 103-354 for redemption or for exchange for other certificates offered at maturity. Assignments to “United States, Farmers Home Administration or its successor

agency under Public Law 103-354," "Farmers Home Administration or its successor agency under Public Law 103-354 for Transfer," or "Farmers Home Administration or its successor agency under Public Law 103-354 for Exchange" will not be accepted unless supplemented by specific instructions by or in behalf of the owner. If an alteration or erasure has been made in an assignment, a new assignment from the assignor should be obtained. Otherwise, an affidavit or explanation by the person responsible for the alteration or erasure should be submitted for consideration.

(f) *Death of certificate holder.* The Finance Office should be notified of the death of the registered owner of a certificate. The following documents should be forwarded with the notice if available.

(1) A certified copy of the death certificate.

(2) A certified copy of the court order appointing the Administrator or Executor (include the mailing address of the Administrator or Executor). The Finance Office will notify the person submitting such notice and/or documentation if any other records or documents are needed. Legal opinions and advice will be obtained by the Finance Office as needed from the Regional Attorney. After all legal requirements are met, the certificate should be reissued in the name of the current owner.

(g) *Replacement.* Lost, stolen, destroyed, or mutilated certificates will be replaced by the Finance Office on the registered owner's compliance with the requirements of § 1901.509.

**§ 1901.508 Servicing of insured notes outstanding with investors.**

The Director, or the insured loan officer of the Finance Office, is authorized in connection with the sale of any insured note to execute required documents on behalf of FmHA or its successor agency under Public Law 103-354 and to take other appropriate action, including, but not limited to, acknowledging notice of sale of an insured note, or requiring an insured holder to sell an insured note to FmHA or its successor agency under Public Law 103-354 in connection with any voluntary conveyance or foreclosure, or transfer

related to liquidation of the borrower's account or any other servicing action so related. Upon recommendation by the State Director that purchase of an insured note is necessary for any servicing action not related to liquidation of the borrower's account, authorization may be given by the National Office to request the Director, Finance Office, to require a holder to sell an insured note to FmHA or its successor agency under Public Law 103-354.

(a) *Assignments—(1) Effective date of assignment.* When an insured note is sold by a private holder to a private buyer, notice of such sale executed by the seller must be given to and acknowledged by FmHA or its successor agency under Public Law 103-354 in order for the sale to be binding on FmHA or its successor agency under Public Law 103-354, as to FmHA or its successor agency under Public Law 103-354, the effective date of the sale will be the acknowledgment date specified in the acknowledgement of notice executed by FmHA or its successor agency under Public Law 103-354.

(2) *Assignment to FmHA or its successor agency under Public Law 103-354 at request of FmHA or its successor agency under Public Law 103-354.* At any time FmHA or its successor agency under Public Law 103-354 considers it necessary for proper servicing of the loan, FmHA or its successor agency under Public Law 103-354 may require, in writing, a private holder to sell an insured note to FmHA or its successor agency under Public Law 103-354.

(3) *Assignment to FmHA or its successor agency under Public Law 103-354 at option of holder.* A private holder at any time during the option period may require, in writing, FmHA or its successor agency under Public Law 103-354 to purchase an insured note.

(4) *Price.* If FmHA or its successor agency under Public Law 103-354 is the buyer of an insured note, the price will be the par value as of the effective date of the sale. In other cases, the price will be determined by an agreement between the parties.

(b) *Sale of insured notes by private holders to private buyers.* (1) On receipt of notice from a private holder of intention to assign an insured note, the