§ 7.2018 Lost stock certificates.
If a national bank does not provide for replacing lost, stolen, or destroyed stock certificates in its articles of association or bylaws, the bank may adopt procedures in accordance with § 7.2000.

§ 7.2019 Loans secured by a bank’s own shares.
(a) Permitted agreements, relating to bank shares. A national bank may require a borrower holding shares of the bank to execute agreements:
(1) Not to pledge, give away, transfer, or otherwise assign such shares;
(2) To pledge such shares at the request of the bank when necessary to prevent loss; and
(3) To leave such shares in the bank’s custody.
(b) Use of capital notes and debentures. A national bank may not make loans secured by a pledge of the bank’s own capital notes and debentures. Such notes and debentures must be subordinate to the claims of depositors and other creditors of the issuing bank, and are, therefore, capital instruments within the purview of 12 U.S.C. 83.

§ 7.2020 Acquisition and holding of shares as treasury stock.
(a) Acquisition of outstanding shares. Pursuant to 12 U.S.C. 59, including the requirements for prior approval by the bank’s shareholders and the OCC imposed by that statute, a national bank may acquire its outstanding shares and hold them as treasury stock, if the acquisition and retention of the shares is, and continues to be, for a legitimate corporate purpose.
(b) Legitimate corporate purpose. Examples of legitimate corporate purposes include the acquisition and holding of treasury stock to:
(1) Have shares available for use in connection with employee stock option, bonus, purchase, or similar plans;
(2) Sell to a director for the purpose of acquiring qualifying shares;
(3) Purchase a director’s qualifying shares upon the cessation of the director’s service in that capacity if there is no ready market for the shares;
(4) Reduce the number of shareholders in order to qualify as a Subchapter S corporation; and
(5) Reduce costs associated with shareholder communications and meetings.
(c) Prohibition. It is not a legitimate corporate purpose to acquire or hold treasury stock on speculation about changes in its value.
[64 FR 60099, Nov. 4, 1999]

§ 7.2021 Preemptive rights.
A national bank in its articles of association must grant or deny preemptive rights to the bank’s shareholders. Any amendment to a national bank’s articles of association which modifies such preemptive rights must be approved by a vote of the holders of two-thirds of the bank’s outstanding voting shares.

§ 7.2022 Voting trusts.
The shareholders of a national bank may establish a voting trust under the applicable law of a state selected by the participants and designated in the trust agreement, provided the implementation of the trust is consistent with safe and sound banking practices.

§ 7.2023 Reverse stock splits.
(a) Authority to engage in reverse stock splits. A national bank may engage in a reverse stock split if the transaction serves a legitimate corporate purpose and provides adequate dissenting shareholders’ rights.
(b) Legitimate corporate purpose. Examples of legitimate corporate purposes include a reverse stock split to:
(1) Reduce the number of shareholders in order to qualify as a Subchapter S corporation; and
(2) Reduce costs associated with shareholder communications and meetings.
[64 FR 60099, Nov. 4, 1999]

§ 7.2024 Staggered terms for national bank directors and size of bank board.
(a) Staggered terms. Any national bank may adopt bylaws that provide for staggering the terms of its directors. National banks shall provide the OCC with copies of any bylaws so amended.