

cept that if such holder has not been a borrower from the bank in which it holds such stock within a period of two years next preceding the date fixed by the Farm Credit Administration prior to the commencement of voting, it shall not be entitled to vote.

**(e) Nonvoting investment stock**

Nonvoting investment stock may be issued in such series and in such amounts as may be determined by the board and may be exchanged for voting stock or sold or transferred to any person subject to the approval of the issuing bank.

**(f) Participation certificates**

Participation certificates may be issued to parties to whom voting stock may not be issued.

(Pub. L. 92-181, title III, §3.3, Dec. 10, 1971, 85 Stat. 603; Pub. L. 96-592, title III, §302, Dec. 24, 1980, 94 Stat. 3443; Pub. L. 99-205, title II, §205(e)(3), (4), Dec. 23, 1985, 99 Stat. 1705; Pub. L. 100-233, title VIII, §§802(o), 805(k), Jan. 6, 1988, 101 Stat. 1712, 1715; Pub. L. 110-234, title V, §§5402, 5403(a), May 22, 2008, 122 Stat. 1154; Pub. L. 110-246, §4(a), title V, §§5402, 5403(a), June 18, 2008, 122 Stat. 1664, 1915.)

**Editorial Notes**

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2008—Subsec. (b). Pub. L. 110-246, §5402, which directed substitution of “par” for “per”, could not be executed because “per” did not appear.

Subsec. (c)(ii), (iii). Pub. L. 110-246, §5403(a), added cl. (ii) and redesignated former cl. (ii) as (iii).

1988—Subsec. (a). Pub. L. 100-233, §802(o)(1), struck out “, with the approval of Farm Credit Administration,” after “board determines”.

Subsec. (b). Pub. L. 100-233, §802(o)(2), struck out “with the approval of the Farm Credit Administration” after “board may determine”.

Subsec. (d). Pub. L. 100-233, §805(k), substituted “by” for “by by” after “regulations issued”.

Subsec. (e). Pub. L. 100-233, §802(o)(3), struck out “and approved by the Farm Credit Administration” after “Board”.

1985—Subsec. (d). Pub. L. 99-205, §205(e)(3), inserted “under regulations issued by” after “authorized”.

Subsec. (e). Pub. L. 99-205, §205(e)(4), struck out “, except for stock held by the Governor,” before “may be exchanged”.

1980—Subsec. (f). Pub. L. 96-592 added subsec. (f).

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-205 effective thirty days after Dec. 23, 1985, see section 401 of Pub. L. 99-205, set out as a note under section 2001 of this title.

**§ 2125. Dividends**

Dividends may be payable only on nonvoting investment stock, if declared by the board of di-

rectors of the bank, subject to the general direction of the Farm Credit Administration.

(Pub. L. 92-181, title III, §3.4, Dec. 10, 1971, 85 Stat. 604; Pub. L. 99-205, title II, §205(e)(5), title VI, §606, Dec. 23, 1985, 99 Stat. 1705, 1711; Pub. L. 100-233, title VIII, §805(l), Jan. 6, 1988, 101 Stat. 1715.)

**Editorial Notes**

AMENDMENTS

1988—Pub. L. 100-233 struck out “other than stock held by the Farm Credit Administration,” after “investment stock”.

1985—Pub. L. 99-205 struck out “the Governor of” before “the Farm Credit Administration” and inserted “, subject to the general direction of the Farm Credit Administration”.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-205 effective thirty days after Dec. 23, 1985, see section 401 of Pub. L. 99-205, set out as a note under section 2001 of this title.

**§ 2126. Retirement of stock**

Nonvoting investment stock and participation certificates may be called for retirement at par. With the approval of the issuing bank, the holder may elect not to have the called stock or participation certificates retired in response to a call, reserving the right to have such stock or participation certificates included in the next call for retirement. Voting stock may also be retired at par, on call or on such revolving basis as the board may determine with due regard for its total capital needs: *Provided, however*, That all equities in the banks issued or allocated with respect to 1971 and prior years shall be retired on a revolving basis according to the year of issue with the oldest outstanding equities being first retired. Equities issued for subsequent years shall not be called or retired until equities described in the preceding sentence of this proviso have been retired.

(Pub. L. 92-181, title III, §3.5, Dec. 10, 1971, 85 Stat. 604; Pub. L. 96-592, title III, §303, Dec. 24, 1980, 94 Stat. 3444; Pub. L. 99-205, title II, §205(e)(6), Dec. 23, 1985, 99 Stat. 1705; Pub. L. 100-233, title VIII, §802(p), Jan. 6, 1988, 101 Stat. 1712; Pub. L. 115-334, title V, §5411(6), Dec. 20, 2018, 132 Stat. 4679.)

**Editorial Notes**

AMENDMENTS

2018—Pub. L. 115-334 struck out “district” before “banks issued or allocated”.

1988—Pub. L. 100-233 struck out “with approval of the Farm Credit Administration” after “board may determine”.

1985—Pub. L. 99-205 substituted “Nonvoting investment stock” for “Any nonvoting stock held by the Governor of the Farm Credit Administration shall be retired to the extent required by section 2151(b) of this title before any other outstanding voting or nonvoting stock or participation certificates shall be retired except as may be otherwise authorized by the Farm Credit Administration. When those requirements have been satisfied, nonvoting investment stock”, and substituted “Voting” for “When the requirements of section 2151(b) of this title have been met, voting”.