

Editorial Notes

CODIFICATION

R.S. §5139 derived from act June 3, 1864, ch. 106, §12, 13 Stat. 102, which was the National Bank Act. See section 38 of this title.

AMENDMENTS

1935—Act Aug. 23, 1935, §335, added second par.

Act Aug. 23, 1935, §310(a), among other changes in last par., inserted proviso.

1933—Act June 16, 1933, added last par.

1927—Act Feb. 25, 1927, inserted “or into shares of such less amount as may be provided in the articles of association” in first sentence.

§ 53. When capital stock paid in

All of the capital stock of every national banking association shall be paid in before it shall be authorized to commence business.

(R.S. §5140; Pub. L. 86-230, §4, Sept. 8, 1959, 73 Stat. 457.)

Editorial Notes

CODIFICATION

R.S. §5140 derived from act June 3, 1864, ch. 106, §14, 13 Stat. 103, which was the National Bank Act. See section 38 of this title.

AMENDMENTS

1959—Pub. L. 86-230 substituted requirement that all the capital stock of a national bank must be paid in before it commences business for permissive authority to be open for business upon payment of 50 per centum of the capital stock and installment payment of the remaining 50 per centum.

§ 54. Repealed. Pub. L. 86-230, § 5, Sept. 8, 1959, 73 Stat. 457

Section, R.S. §5141, related to failure to pay installments, remedy and effect if reduction of capital resulted.

§ 55. Enforcing payment of deficiency in capital stock; assessments; liquidation; receivership

Every association which shall have failed to pay up its capital stock, as required by law, and every association whose capital stock shall have become impaired by losses or otherwise, shall, within three months after receiving notice thereof from the Comptroller of the Currency, pay the deficiency in the capital stock, by assessment upon the shareholders pro rata for the amount of capital stock held by each; and the Treasurer of the United States shall withhold the interest upon all bonds held by him in trust for any such association, upon notification from the Comptroller of the Currency, until otherwise notified by him. If any such association shall fail to pay up its capital stock, and shall refuse to go into liquidation, as provided by law, for three months after receiving notice from the comptroller, a receiver may be appointed to close up the business of the association, according to the provisions of section 192 of this title. *And provided*, That if any shareholder or shareholders of such bank shall neglect or refuse, after three months' notice, to pay the assessment, as provided in this section, it shall be the duty of the board of directors to cause a sufficient amount of the capital stock of such share-

holder or shareholders to be sold at public auction (after thirty days' notice shall be given by posting such notice of sale in the office of the bank, and by publishing such notice in a newspaper of the city or town in which the bank is located, or in a newspaper published nearest thereto,)¹ to make good the deficiency, and the balance, if any, shall be returned to such delinquent shareholder or shareholders.

(R.S. §5205; June 30, 1876, ch. 156, §4, 19 Stat. 64.)

Editorial Notes

CODIFICATION

R.S. §5205 derived from act Mar. 3, 1873, ch. 269, §1, 17 Stat. 603.

Statutory Notes and Related Subsidiaries

APPLICATION TO DISTRICT OF COLUMBIA

Provisions of this section were made applicable to banks, etc., in the District of Columbia by act Mar. 4, 1933, ch. 274, §4, 47 Stat. 1567.

Executive Documents

TRANSFER OF FUNCTIONS

All functions of all officers of the Department of the Treasury, and all functions of all agencies and employees of such Department, were transferred, with certain exceptions, to the Secretary of the Treasury, with power vested in him to authorize their performance or the performance of any of his functions, by any of those officers, agencies, and employees, by 1950 Reorg. Plan No. 26, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, formerly set out in the Appendix to Title 5, Government Organization and Employees. See section 321(c) of Title 31, Money and Finance. The Comptroller of the Currency and the Treasurer of the United States, both referred to in this section, are officers of the Treasury Department, but such Plan excepted, from the transfer, any function vested by law in the Comptroller of the Currency.

§ 56. Prohibition on withdrawal of capital; unearned dividends

No association, or any member thereof, shall, during the time it shall continue its banking operations, withdraw, or permit to be withdrawn, either in the form of dividends or otherwise, any portion of its capital. If losses have at any time been sustained by any such association, equal to or exceeding its undivided profits then on hand, no dividend shall be made; and no dividend shall ever be made by any association, while it continues its banking operations, to an amount greater than its undivided profits, subject to other applicable provisions of law. But nothing in this section shall prevent the reduction of the capital stock of the association under section 59 of this title.

(R.S. §5204; Pub. L. 103-325, title VI, §602(h)(1), Sept. 23, 1994, 108 Stat. 2294.)

Editorial Notes

CODIFICATION

R.S. §5204 derived from act June 3, 1864, ch. 106, §38, 13 Stat. 110, which was the National Bank Act. See section 38 of this title.

¹ So in original.