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| **Type**: | Statute |
| **Statute:** | 1971 ACT AS AMENDED |
| **Title:** | Title IV Provisions Applicable to Two or More Classes of Institutions of the System |
| **Part:** | Part C Rights of Borrowers; Loan Restructuring |
| **Subtitle:** | [Subtitle] |
| **Chapter Name:** | [Chapter Name] |
| **U.S. Code Citation** | 12 U.S.C. 2202b |
| **Date Created**: | 12/17/2012 |
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12 U.S.C. 2202b **SEC. 4.14B. EFFECT OF RESTRUCTURING ON BORROWER STOCK.**

**(a)** FARM CREDIT BANK. If a Farm Credit Bank forgives and writes off, under section [4.14A](http://ww3.fca.gov/readingrm/handbook/Statutes/SEC.%204.14A.docx), any of the principal outstanding on a loan made to any borrower, the Federal land bank association of which the borrower is a member and stockholder shall cancel the same dollar amount of borrower stock held by the borrower in respect of the loan, up to the total amount of such stock, and, to the extent provided for in the bylaws of the bank relating to its capitalization, the bank shall retire an equal amount of stock owned by the Federal land bank association.

**(b)** PRODUCTION CREDIT ASSOCIATION. If a production credit association forgives and writes off, under section [4.14A](http://ww3.fca.gov/readingrm/handbook/Statutes/SEC.%204.14A.docx), any of the principal outstanding on a loan made to any borrower, the association shall cancel the same dollar amount of borrower stock held by the borrower in respect of the loan, up to the total amount of such stock.

**(c)** RETENTION OF STOCK. Notwithstanding subsections (a) and (b), the borrower shall be entitled to retain at least one share of stock to maintain the borrower’s membership and voting interest in the association.