§ 437. Redemption of bonds and notes; procedure in event of default. 1. All bonds and notes issued by the savings and loan bank may be called on any interest day at one hundred two and one-half per centum and interest by giving notice of not less than sixty days in a newspaper published in the city of New York or on such notice, in such manner and at such time and price, not to exceed one hundred five per centum and interest, as may be specified in such bonds or notes.

2. In the event of any default for more than ninety days in the payment of the principal of, or for more than ninety days in the payment of any instalment of interest upon, any bond or note issued by the savings and loan bank, the superintendent may, in his discretion, and shall, upon the request in writing of the holders of said obligations in default to the amount of fifty thousand dollars, forthwith take possession of and proceed to liquidate the savings and loan bank. Upon such liquidation he shall be entitled in the name of the savings and loan bank to enforce all of its rights and securities and to collect and realize upon all of its assets, including all mortgages assigned to the savings and loan bank by its several members, and deposited with the comptroller of the state of New York, up to the amounts advanced by the savings and loan bank to the several members thereon. Upon any such liquidation all said obligations then issued and outstanding shall forthwith become due and payable equally and ratably out of all the assets of the savings and loan bank in advance of any other debts thereof not specifically preferred by law.