

part shall terminate on the complete discharge by the Financial Assistance Corporation of its responsibilities under section 2278a-9(e) of this title and subsections (c) through (g) of section 2278b-6 of this title with regard to repayments by System institutions, but in no event later than 2 years following the maturity and full payment of all debt obligations issued under section 2278b-6(a) of this title.

(b) Accounts

Simultaneously with the termination of the Financial Assistance Corporation as provided in subsection (a) of this section, any funds in the accounts established under section 2278b-5 of this title shall be transferred to the Insurance Fund established under section 2277a-9 of this title.

(Pub. L. 92-181, title VI, §6.31, as added Pub. L. 100-233, title II, §201, Jan. 6, 1988, 101 Stat. 1605; amended Pub. L. 102-552, title III, §307(b), Oct. 28, 1992, 106 Stat. 4116.)

AMENDMENTS

1992—Subsec. (a). Pub. L. 102-552 substituted “terminate on the complete discharge by the Financial Assistance Corporation of its responsibilities under section 2278a-9(e) of this title and subsections (c) through (g) of section 2278b-6 of this title with regard to repayments by System institutions, but in no event later than 2 years following” for “terminate on”.

SUBCHAPTER VII—RESTRUCTURING OF SYSTEM INSTITUTIONS

AMENDMENTS

1988—Pub. L. 100-399, title IV, §408(a), Aug. 17, 1988, 102 Stat. 1001, substituted “RESTRUCTURING OF” for “MERGERS OF” in subchapter heading.

PART A—MERGER OF BANKS WITHIN A DISTRICT

§ 2279a. Power to merge

The banks within a district may merge into a single entity (hereinafter in this subchapter referred to as a “merged bank”) if the plan of merger is approved by—

- (1) the Farm Credit Administration Board;
- (2) the respective boards of directors of the banks involved;
- (3) a majority of the stockholders of each bank voting, in person or by proxy, at a duly authorized stockholders’ meeting with each association entitled to cast a number of votes equal to the number of its voting stockholders; and
- (4) in the case of a bank for cooperatives, a majority of the total equity interests in such merging bank for cooperatives (including allocated, but not unallocated, surplus and reserves) held by those stockholders or subscribers to the guaranty fund of the bank voting.

(Pub. L. 92-181, title VII, §7.0, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1645; amended Pub. L. 100-399, title IV, §408(b), Aug. 17, 1988, 102 Stat. 1001.)

AMENDMENTS

1988—Pub. L. 100-399 substituted “The banks” for “Two or more banks” in introductory provisions, and in par. (3) substituted “with each association entitled to cast a number of votes equal to the number of its

voting” for “in accordance with the provisions of section 2223(c) of this title relating to the casting of votes by”.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective as if enacted immediately after enactment of Pub. L. 100-233, which was approved Jan. 6, 1988, see section 1001(a) of Pub. L. 100-399, set out as a note under section 2002 of this title.

§ 2279a-1. Board of directors

Each merged bank shall elect a board of directors of such number, for such term, in such manner, and with such qualifications, as may be required in its bylaws, except that at least one member shall be elected by the other directors, which member shall not be a director, officer, employee, or stockholder of a System institution.

(Pub. L. 92-181, title VII, §7.1, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1645; amended Pub. L. 100-399, title IV, §408(c), Aug. 17, 1988, 102 Stat. 1001.)

AMENDMENTS

1988—Pub. L. 100-399 struck out “for the district” in section catchline and amended text generally, revising and restating as a single unlettered paragraph provisions of former subsecs. (a) and (b).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective as if enacted immediately after enactment of Pub. L. 100-233, which was approved Jan. 6, 1988, see section 1001(a) of Pub. L. 100-399, set out as a note under section 2002 of this title.

§ 2279a-2. Powers of merged banks

(a) In general

Except as otherwise provided in this subchapter, a merged bank shall have all of the powers granted to, and shall be subject to all of the obligations imposed on, any of the constituent entities of the merged bank.

(b) Regulations

The Farm Credit Administration shall issue regulations that establish the manner in which the powers and obligations of the banks that form the merged bank are consolidated, and to the extent necessary, reconciled in the merged bank.

(Pub. L. 92-181, title VII, §7.2, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1645.)

§ 2279a-3. Capitalization

In accordance with section 2154a of this title, each merged bank shall provide, through bylaws and subject to Farm Credit Administration regulations, for the capitalization of the bank and the manner in which bank stock shall be issued, held, transferred, and retired and bank earnings distributed.

(Pub. L. 92-181, title VII, §7.3, as added Pub. L. 100-399, title IV, §408(d), Aug. 17, 1988, 102 Stat. 1001.)

PRIOR PROVISIONS

A prior section 2279a-3, Pub. L. 92-181, title VII, §7.3, as added Pub. L. 100-233, title IV, §416, Jan. 6, 1988, 101 Stat. 1645, related to issuance of shares of capital stock, prior to repeal by Pub. L. 100-399, title IV, §408(d), Aug. 17, 1988, 102 Stat. 1001.