

§ 2278a-13. Transitional provisions**(a) Exercise of powers**

The powers of the Assistance Board under this subchapter shall be exercised by the Farm Credit Administration Board until the issuance of the charter of the Assistance Board, or such later date not to exceed 30 days thereafter, as may be requested by the Assistance Board.

(b) Limitation on assistance

Any assistance provided to System institutions by the Farm Credit Administration in accordance with this section shall be provided from, and shall not exceed, the amounts contained in the revolving fund established under section 2151 of this title.

(c) Issuance of stock

Each institution that receives assistance from the Farm Credit Administration during the interim period specified in subsection (a) of this section, in consideration thereof, shall issue preferred stock to the Financial Assistance Corporation in an amount equal to the amount of such assistance. Payments by the Financial Assistance Corporation under subsection (d) of this section shall be considered to be payments to each such institution for such stock.

(d) Repayment

The Financial Assistance Corporation shall pay to the Farm Credit Administration, for return to the revolving fund established under section 2151 of this title, the full amount of all financial assistance provided by the Farm Credit Administration in accordance with this section, from the proceeds from the sale of the first issue of obligations by the Financial Assistance Corporation in accordance with section 2278b-6 of this title.

(Pub. L. 92-181, title VI, §6.13, as added Pub. L. 100-233, title II, §201, Jan. 6, 1988, 101 Stat. 1594; amended Pub. L. 100-399, title II, §201(n), Aug. 17, 1988, 102 Stat. 991.)

AMENDMENTS

1988—Subsec. (d). Pub. L. 100-399 inserted “, for return to the revolving fund established under section 2151 of this title,” before “the full”.

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.

PART B—FINANCIAL ASSISTANCE CORPORATION

§ 2278b. Establishment of Corporation

Not later than 5 days after January 6, 1988, the Farm Credit Administration shall charter the Farm Credit System Financial Assistance Corporation (hereinafter referred to in this chapter as the “Financial Assistance Corporation”) which shall be—

- (1) an institution of the Farm Credit System; and
- (2) a Federally chartered instrumentality of the United States.

(Pub. L. 92-181, title VI, §6.20, as added Pub. L. 100-233, title II, §201, Jan. 6, 1988, 101 Stat. 1595.)

FINANCIAL REPORT

Pub. L. 100-233, title II, §206, Jan. 6, 1988, 101 Stat. 1607, provided that: “During the period beginning September 30, 2001, and ending December 31, 2001, the Farm Credit Administration shall review and evaluate the financial condition of the Farm Credit System and report to the Secretary of the Treasury and the appropriate committees of Congress on—

“(1) the general financial condition of each System institution;

“(2) the total outstanding principal of debt obligations issued under section 6.26 of the Farm Credit Act of 1971 (as added by section 201 of this Act) [12 U.S.C. 2278b-6]; and

“(3) the ability of each System institution to retire, at par value, preferred stock issued by the institution in accordance with section 6.27 of the Farm Credit Act of 1971 (as added by section 201 of this Act) [12 U.S.C. 2278b-7].”

§ 2278b-1. Purpose

The purpose of the Financial Assistance Corporation shall be to carry out a program to provide capital to institutions of the Farm Credit System that are experiencing financial difficulty and to assist, pursuant to section 2278a-9(e) of this title and subsections (c) through (g) of section 2278b-6 of this title, in the repayment by System institutions to those persons who provided funds in connection with the program.

(Pub. L. 92-181, title VI, §6.21, as added Pub. L. 100-233, title II, §201, Jan. 6, 1988, 101 Stat. 1595; amended Pub. L. 102-552, title III, §307(a), Oct. 28, 1992, 106 Stat. 4116.)

AMENDMENTS

1992—Pub. L. 102-552 inserted before period at end “and to assist, pursuant to section 2278a-9(e) of this title and subsections (c) through (g) of section 2278b-6 of this title, in the repayment by System institutions to those persons who provided funds in connection with the program”.

§ 2278b-2. Board of Directors**(a) Board of Directors****(1) Composition**

The Board of Directors of the Financial Assistance Corporation (hereinafter referred to in this part as the “Board of Directors”) shall consist of the Board of Directors of the Federal Farm Credit Banks Funding Corporation.

(2) Chairman

The Board of Directors shall elect annually a Chairman from among the members of the Board.

(3) Compensation

The members of the Board of Directors shall receive compensation for the time devoted to meetings and other activities of the Board and reasonable allowances for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Board of Directors in amounts not exceeding levels set by the Farm Credit Administration Board.

(b) Rules and records

The Board of Directors shall adopt such rules as it may deem appropriate for the transaction of its business and shall keep permanent and ac-