

§ 1426a. Exclusion from certain requirements**(a) In general**

The Federal Home Loan Banks shall be exempt from compliance with—

- (1) sections 78m(e), 78n(a), and 78n(c) of title 15, and related Commission regulations;
- (2) section 78o of title 15, and related Commission regulations, with respect to transactions in the capital stock of a Federal Home Loan Bank;
- (3) section 78q-1 of title 15, and related Commission regulations, with respect to the transfer of the securities of a Federal Home Loan Bank; and
- (4) the Trust Indenture Act of 1939 [15 U.S.C. 77aaa et seq.].

(b) Member exemption

The members of the Federal Home Loan Bank System shall be exempt from compliance with sections 78m(d), 78m(f), 78m(g), 78n(d), and 78p of title 15, and related Commission regulations, with respect to ownership of or transactions in the capital stock of the Federal Home Loan Banks by such members.

(c) Exempted and Government securities**(1) Capital stock**

The capital stock issued by each of the Federal Home Loan Banks under section 1426 of this title are—

- (A) exempted securities, within the meaning of section 77c(a)(2) of title 15; and
- (B) exempted securities, within the meaning of section 78c(a)(12)(A) of title 15, except to the extent provided in section 78oo of title 15.

(2) Other obligations

The debentures, bonds, and other obligations issued under section 1431 of this title are—

- (A) exempted securities, within the meaning of section 77c(a)(2) of title 15;
- (B) government securities, within the meaning of section 78c(a)(42) of title 15; and
- (C) government securities, within the meaning of section 80a-2(a)(16) of title 15.

(3) Brokers and dealers

A person (other than a Federal Home Loan Bank effecting transactions for members of the Federal Home Loan Bank System) that effects transactions in the capital stock or other obligations of a Federal Home Loan Bank, for the account of others or for that person's own account, as applicable, is a broker or dealer, as those terms are defined in paragraphs (4) and (5), respectively, of section 78c(a) of title 15, but is excluded from the definition of—

- (A) the term “government securities broker” under section 78c(a)(43) of title 15; and
- (B) the term “government securities dealer” under section 78c(a)(44) of title 15.

(d) Exemption from reporting requirements

The Federal Home Loan Banks shall be exempt from periodic reporting requirements under the securities laws pertaining to the disclosure of—

- (1) related party transactions that occur in the ordinary course of the business of the Banks with members; and

(2) the unregistered sales of equity securities.

(e) Tender offers

Commission rules relating to tender offers shall not apply in connection with transactions in the capital stock of the Federal Home Loan Banks.

(f) Regulations**(1) In general**

The Commission shall promulgate such rules and regulations as may be necessary or appropriate in the public interest or in furtherance of this section and the exemptions provided in this section.

(2) Considerations

In issuing regulations under this section, the Commission shall consider the distinctive characteristics of the Federal Home Loan Banks when evaluating—

- (A) the accounting treatment with respect to the payment to the Resolution Funding Corporation;
- (B) the role of the combined financial statements of the Federal Home Loan Banks;
- (C) the accounting classification of redeemable capital stock; and
- (D) the accounting treatment related to the joint and several nature of the obligations of the Banks.

(g) Definitions

As used in this section—

- (1) the terms “Bank”, “Federal Home Loan Bank”, “member”, and “Federal Home Loan Bank System” have the same meanings as in section 1422 of this title;
- (2) the term “Commission” means the Securities and Exchange Commission; and
- (3) the term “securities laws” has the same meaning as in section 78c(a)(47) of title 15.

(Pub. L. 110-289, div. A, title II, §1208, July 30, 2008, 122 Stat. 2788.)

REFERENCES IN TEXT

The Trust Indenture Act of 1939, referred to in subsec. (a)(4), is title III of act May 27, 1933, ch. 38, as added Aug. 3, 1939, ch. 411, 53 Stat. 1149, which is classified generally to subchapter III (§77aaa et seq.) of chapter 2A of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 77aaa of Title 15 and Tables.

CODIFICATION

Section was enacted as part of the Housing and Economic Recovery Act of 2008, and also as part of the Federal Housing Finance Regulatory Reform Act of 2008, and not as part of the Federal Home Loan Bank Act which comprises this chapter.

§ 1427. Directors**(a) Number; election; qualifications; conflicts of interest****(1) In general**

Subject to paragraphs (2) through (4), the management of each Federal Home Loan Bank shall be vested in a board of 13 directors, or such other number as the Director determines appropriate.