

Farm Credit Bank, or with any bank insured by the Federal Deposit Insurance Corporation, and pay fees therefor and receive interest thereon as may be agreed;

(19) perform such other function delegated to the association by the Farm Credit Bank of the district;

(20) exercise by its board of directors or authorized officers or agents all such incidental powers as may be necessary or expedient in the conduct of its business;

(21) contribute to the capital of the bank; and

(22) operate as an originator and become certified as a certified facility under subchapter VIII of this chapter.

(Pub. L. 92-181, title II, §2.12, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1635; amended Pub. L. 100-399, title IV, §401(u), Aug. 17, 1988, 102 Stat. 998.)

PRIOR PROVISIONS

A prior section 2093, Pub. L. 92-181, title II, §2.12, Dec. 10, 1971, 85 Stat. 598; Pub. L. 96-592, title II, §208, Dec. 24, 1980, 94 Stat. 3442; Pub. L. 99-205, title II, §205(e)(11), Dec. 23, 1985, 99 Stat. 1704; Pub. L. 100-233, title VII, §705(d), Jan. 6, 1988, 101 Stat. 1707; Pub. L. 100-399, title VI, §604, Aug. 17, 1988, 102 Stat. 1006, related to general corporate powers, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

AMENDMENTS

1988—Par. (7). Pub. L. 100-399, §401(u)(1), substituted “provide by its board of directors for” for “elect by its board of directors” and “serve as” for “be elected or designated”.

Par. (8). Pub. L. 100-399, §401(u)(2), amended par. (8) generally. Prior to amendment, par. (8) read as follows: “prescribe by its board of directors, association bylaws, not inconsistent with law, providing for the classes of association stock and the manner in which such stock shall be issued, transferred, and retired; the officers and employees of the association elected or provided for, the property of the association that is acquired, held, and transferred, the general business of the association conducted, and the privileges granted to the association by law exercised and enjoyed;”.

Par. (12). Pub. L. 100-399, §401(u)(3), substituted “agreed to by” for “agreed to or delegated to”.

Par. (22). Pub. L. 100-399, §401(u)(4)-(6), added par. (22).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective immediately after amendment made by section 401 of Pub. L. 100-233, which was effective 6 months after Jan. 6, 1988, see section 1001(b) of Pub. L. 100-399, set out as a note under section 2002 of this title.

§ 2094. Federal land bank association capitalization

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

(Pub. L. 92-181, title II, §2.13, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1636.)

PRIOR PROVISIONS

A prior section 2094, Pub. L. 92-181, title II, §2.13, Dec. 10, 1971, 85 Stat. 599; Pub. L. 96-592, title II, §209, Dec.

24, 1980, 94 Stat. 3442; Pub. L. 99-205, title II, §205(e)(12)-(14), title III, §304(b), Dec. 23, 1985, 99 Stat. 1705, 1708; Pub. L. 100-233, title VIII, §805(h), Jan. 6, 1988, 101 Stat. 1715, related to stock and participation certificates, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

§ 2095. Repealed. Pub. L. 100-399, title IV, § 401(v), Aug. 17, 1988, 102 Stat. 999

Section, Pub. L. 92-181, title II, §2.14, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1636, provided that whenever any Federal land bank association was liquidated, a sum equal to its reserve account as required in this chapter was to be paid and become the property of the bank in which such association was a shareholder.

A prior section 2095, Pub. L. 92-181, title II, §2.14, Dec. 10, 1971, 85 Stat. 600; Pub. L. 99-205, title II, §205(e)(15), title VI, §605, Dec. 23, 1985, 99 Stat. 1705, 1711, related to application of earnings, restoration of capital impairment, and surplus account, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

CONSTRUCTION OF REPEAL

Pub. L. 100-399, title IV, §401(v), Aug. 17, 1988, 102 Stat. 999, repealed this section and provided that this chapter be applied and administered as if this section had not been enacted.

§ 2096. Agreements for sharing gains or losses

Each Farm Credit Bank may enter into agreements with Federal land bank associations in its district for sharing the gain or losses on loans or on security held therefor or acquired in liquidation thereof, and associations are authorized to enter into any such agreements and also, subject to bank approval, agreements with other associations in the district for sharing the risk of loss on loans endorsed by each such association. As may be authorized by the bank in accordance with regulations of the Farm Credit Administration, associations also may enter into agreements with other Farm Credit System institutions to share loan and other losses, whether to protect against capital impairment or for any other purpose.

(Pub. L. 92-181, title II, §2.14, formerly §2.15, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1636; renumbered §2.14, Pub. L. 100-399, title IV, §401(w), Aug. 17, 1988, 102 Stat. 999.)

PRIOR PROVISIONS

A prior section 2096, Pub. L. 92-181, title II, §2.15, Dec. 10, 1971, 85 Stat. 601; Pub. L. 96-592, title II, §210, Dec. 24, 1980, 94 Stat. 3442; Pub. L. 99-205, title II, §205(b), Dec. 23, 1985, 99 Stat. 1703; Pub. L. 100-233, title IV, §431(f), title VIII, §805(i), Jan. 6, 1988, 101 Stat. 1660, 1715; Pub. L. 100-399, title IV, §415(b), Aug. 17, 1988, 102 Stat. 1004, related to short- and intermediate-term loans, participation, other financial assistance, terms, conditions, interest, and security, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

A prior section 2.14 of Pub. L. 92-181 was classified to section 2095 of this title and was repealed by Pub. L. 100-399, §401(v).

§ 2097. Liens on stock

Each Federal land bank association shall have a first lien on the stock and participation certificates it issues, except on stock or participation certificates held by other Farm Credit System institutions, for the payment of any liability of the stockholder to the association or to the bank, or to both of them.

(Pub. L. 92-181, title II, §2.15, formerly §2.16, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1637; renumbered §2.15, Pub. L. 100-399, title IV, §401(w), Aug. 17, 1988, 102 Stat. 999.)

PRIOR PROVISIONS

A prior section 2097, Pub. L. 92-181, title II, §2.16, Dec. 10, 1971, 85 Stat. 602; Pub. L. 96-592, title II, §211, Dec. 24, 1980, 94 Stat. 3443, related to other services, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

A prior section 2.15 of Pub. L. 92-181 was renumbered section 2.14 and is classified to section 2096 of this title.

§ 2098. Taxation

Each Federal land bank association and the capital, reserves, and surplus thereof, and the income derived therefrom, shall be exempt from Federal, State, municipal, and local taxation, except taxes on real estate held by a Federal land bank association to the same extent, according to its value, as other similar property held by other persons is taxed. The mortgages held by the Federal land bank associations and the notes, bonds, debentures, and other obligations issued by the associations shall be considered and held to be instrumentalities of the United States and, as such, they and the income therefrom shall be exempt from all Federal, State, municipal, and local taxation, other than Federal income tax liability of the holder thereunder under the Public Debt Act of 1941 (31 U.S.C. 3124).

(Pub. L. 92-181, title II, §2.16, formerly §2.17, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1637; renumbered §2.16 and amended Pub. L. 100-399, title IV, §401(w), (x), Aug. 17, 1988, 102 Stat. 999.)

PRIOR PROVISIONS

A prior section 2098, Pub. L. 92-181, title II, §2.17, Dec. 10, 1971, 85 Stat. 602; Pub. L. 99-205, title II, §205(e)(16), Dec. 23, 1985, 99 Stat. 1705; Pub. L. 100-233, title VIII, §805(j), Jan. 6, 1988, 101 Stat. 1715, related to taxation, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

A prior section 2.16 of Pub. L. 92-181 was renumbered section 2.15 and is classified to section 2097 of this title.

AMENDMENTS

1988—Pub. L. 100-399, §401(x), substituted “derived therefrom, shall” for “derived therefrom shall”, “by the associations” for “by the banks”, and “3124” for “742(a)”.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective immediately after amendment made by section 401 of Pub. L. 100-233, which was effective 6 months after Jan. 6, 1988, see section 1001(b) of Pub. L. 100-399, set out as a note under section 2002 of this title.

SUBCHAPTER III—BANKS FOR COOPERATIVES

PART A—BANKS FOR COOPERATIVES

AMENDMENTS

1988—Pub. L. 100-233, title IV, §415(1), Jan. 6, 1988, 101 Stat. 1642, inserted part A heading.

§ 2121. Establishment; titles; branches

The banks for cooperatives established pursuant to sections 2 and 30 of the Farm Credit Act

of 1933, as amended, shall continue as federally chartered instrumentalities of the United States. The Farm Credit Administration shall approve amendments consistent with this chapter to charters and organizational certificates of banks for cooperatives. Unless an existing bank for cooperatives is merged with another bank, there shall be a bank for cooperatives in each farm credit district and a Central Bank for Cooperatives. A bank for cooperatives may include in its title the name of the city in which it is located or other geographical designation. The Central Bank for Cooperatives may be located in such place as its board of directors may determine with the approval of the Farm Credit Administration. When authorized by the Farm Credit Administration each bank for cooperatives may establish such branches or other offices as may be appropriate for the effective operation of its business.

(Pub. L. 92-181, title III, §3.0, Dec. 10, 1971, 85 Stat. 602; Pub. L. 100-233, title IV, §414(b), title VIII, §802(m), Jan. 6, 1988, 101 Stat. 1641, 1711; Pub. L. 100-399, title IV, §406(b), title IX, §901(c), Aug. 17, 1988, 102 Stat. 1000, 1007.)

REFERENCES IN TEXT

Sections 2 and 30 of the Farm Credit Act of 1933, as amended, referred to in text, were classified to sections 1134 and 1134f, respectively, of this title prior to their repeal by section 5.26 of Pub. L. 92-181, which enacted this chapter.

AMENDMENTS

1988—Pub. L. 100-399, §901(c), substituted “merged with another bank” for “merged with one or more other such banks under section 2181 of this title”.

Pub. L. 100-233, §802(m), substituted “The Farm Credit Administration shall approve amendments consistent with this chapter to charters and organizational certificates of banks for cooperatives” for “Their charters or organization certificates may be modified from time to time by the Farm Credit Administration, not inconsistent with the provisions of this subchapter, as may be necessary or expedient to implement this chapter”.

Pub. L. 100-233, §414(b), which designated existing provisions as subsec. (a), and added subsec. (b) reading “Each bank for cooperatives shall elect from its voting stockholders 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.”, was repealed by section 406(b) of Pub. L. 100-399. See Construction of 1988 Amendment note below.

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.

CONSTRUCTION OF 1988 AMENDMENT

Pub. L. 100-399, title IV, §406(b), Aug. 17, 1988, 102 Stat. 1000, provided that section 414(b) of Pub. L. 100-233, cited as a credit to this section, is repealed and that the Agricultural Credit Act of 1987 (Pub. L. 100-233) and this chapter shall be applied and administered as if such section had not been enacted.

VOLUNTARY MERGER OF BANKS FOR COOPERATIVES

Pub. L. 100-233, title IV, §413, Jan. 6, 1988, 101 Stat. 1639, as amended by Pub. L. 100-399, title IV, §405, Aug. 17, 1988, 102 Stat. 1000, provided that: