

§ 3016. Annual meetings; notice, agenda, etc.

The Bank shall hold an annual meeting of its stockholders which shall be open to the public. At least 30 days' advance notice of the time and place of the annual meeting shall be given to all stockholders. Borrowers from the Bank shall also give notice of the meeting to their members, who shall be entitled to attend. At such meeting the Bank shall give a full report of its activities during the year and its financial condition and may present proposals for future action and other matters of general concern to borrowers and organizations eligible to borrow from the Bank. Members and representatives of borrowers may present motions or resolutions relating to matters within the scope of this chapter and may participate in the discussion thereof and other matters on the agenda.

(Pub. L. 95-351, title I, §106, Aug. 20, 1978, 92 Stat. 507.)

§ 3017. Bonds, debentures, notes and other evidences of indebtedness**(a) Authorization for public or private sale; time of issuance, interest rates, and terms and conditions; outstanding amount**

The Bank is authorized to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness. Such obligations shall be issued at such times, bear interest at such rates, and contain such terms and conditions as the Board shall determine: *Provided, however,* That the amount of such obligations which may be outstanding at any one time pursuant to this section shall not exceed ten times the paid-in capital and surplus of the Bank.

(b) Purchase and sale by Bank; methods of sale and delivery

The Bank may purchase its own obligations, and may provide for the sale of any such obligations through a fiscal agent or agents, by negotiation, offer, bid, syndicate sale, or otherwise, and may deliver such obligations by book entry, wire transfer, or such other means as may be appropriate.

(c) Obligations as not guaranteed by United States and not to constitute a debt or obligation of United States

Obligations issued under this section shall not be guaranteed by the United States and shall not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than the Bank.

(Pub. L. 95-351, title I, §107, Aug. 20, 1978, 92 Stat. 507; Pub. L. 97-35, title III, §§394(g)(1), 396(d), Aug. 13, 1981, 95 Stat. 437, 440.)

AMENDMENTS

1981—Subsec. (a). Pub. L. 97-35, §394(g)(1), struck out requirement respecting consultation with the Secretary of the Treasury.

Subsecs. (b) to (d). Pub. L. 97-35, §396(d), redesignated subsecs. (c) and (d) as (b) and (c), respectively, and struck out former subsec. (b) relating to discretionary authority for issuance to and purchase by Secretary of Treasury.

EFFECTIVE DATE OF 1981 AMENDMENT

Pub. L. 97-35, title III, §394(g)(2), Aug. 13, 1981, 95 Stat. 437, provided that: "The amendment made by

paragraph (1) [amending this section] shall take effect on the day after the Final Government Equity Redemption Date [Dec. 31, 1981]." For definition of "Final Government Equity Redemption Date", see section 396(a) of Pub. L. 97-35, set out as a note under section 3012 of this title.

Amendment by section 396(d) of Pub. L. 97-35 effective on the day after the Final Government Equity Redemption Date (Dec. 31, 1981), see section 396(i) of Pub. L. 97-35, set out as a note under section 3011 of this title.

§ 3017a. Class A notes as paid-in capital of the Bank

Only for purposes of section 3017(a) of this title, class A notes shall be deemed to be paid-in capital of the Bank.

(Pub. L. 97-35, title III, §391(b)(1), Aug. 13, 1981, 95 Stat. 434.)

CODIFICATION

Section was enacted as part of the National Consumer Cooperative Bank Act Amendments of 1981 and also as part of the Omnibus Budget Reconciliation Act of 1981, and not as part of the National Consumer Cooperative Bank Act which comprises this chapter.

EFFECTIVE DATE

Pub. L. 97-35, title III, §391(b)(2), Aug. 13, 1981, 95 Stat. 434, provided that: "This subsection [enacting this section] shall take effect on the day after the Final Government Equity Redemption Date [Dec. 31, 1981]." For definition of "Final Government Equity Redemption Date", see section 396(a) of Pub. L. 97-35, set out as a note under section 3012 of this title.

§ 3018. Loans**(a) General requirements for loans and commitments for loans; limitations; allocation of assistance for low-income persons; criteria and factors for making loans, etc.; publication**

The Bank may make loans and commitments for loans under this subsection to any organization determined by the Bank to be eligible under the provisions of section 3015 of this title, and may purchase or discount obligations of members of such organizations if the Bank, to the exclusion of all other persons, entities, agencies, or jurisdictions, also determines that the applicant has or will have a sound organizational and financial structure, income in excess of its operating costs and assets in excess of its obligations, and a reasonable expectation of a continuing demand for its production, goods, commodities, or services, or the use of its facilities, so that the loan will be fully repayable in accordance with its terms and conditions. Commencing on October 1, 1985, the Bank shall not make any loan to a cooperative for the purpose of financing the construction, ownership, acquisition, or improvement of any structure used primarily for residential purposes if, after giving effect to such loan, the aggregate amount of all loans outstanding for such purpose would exceed 30 per centum of the gross assets of the Bank. The Board of Directors shall use its best efforts to insure that at the end of each fiscal year of the Bank at least 35 per centum of its outstanding loans are to—

(1) cooperatives at least a majority of the members of which are low-income persons, and

(2) other cooperatives, if the proceeds of such loans are directly applied to finance a fa-