

poration shall consist of a majority of the directors duly serving from time to time.

“(B) ELECTION OF PERMANENT DIRECTORS.—The first meeting of the voting common shareholders of the Federal Home Loan Mortgage Corporation for election of directors shall occur, under procedures established by the Corporation, within 6 months after the date of the enactment of this Act.”

§ 1453. Capitalization of Federal Home Loan Mortgage Corporation

(a) Common stock; issuance

The common stock of the Corporation shall consist of voting common stock, which shall be issued to such holders in the manner and amount, and subject to any limitations on concentration of ownership, as may be established by the Corporation.

(b) Par value

The voting common stock shall have such par value and other characteristics as the Corporation provides. The voting common stock shall be vested with all voting rights, each share being entitled to 1 vote. The free transferability of the voting common stock at all times to any person, firm, corporation or other entity shall not be restricted except that, as to the Corporation, it shall be transferable only on the books of the Corporation.

(Pub. L. 91-351, title III, §304, July 24, 1970, 84 Stat. 454; Pub. L. 101-73, title VII, §731(d)(1), (3), Aug. 9, 1989, 103 Stat. 432; Pub. L. 102-550, title XIII, §1382(i), Oct. 28, 1992, 106 Stat. 4004.)

AMENDMENTS

1992—Subsec. (a). Pub. L. 102-550, §1382(i)(2), (3)(C), redesignated par. (1) as subsec. (a), struck out provisions of par. (1)(A) which related to common stock of Corporation consisting in part of nonvoting common stock issued only to Federal home loan banks, restate provisions of par. (1)(B) as text of subsec. (a), and redesignated par. (2) as subsec. (b).

Subsec. (b). Pub. L. 102-550, §1382(i)(1), (3), redesignated subsec. (a)(2) as (b), struck out “nonvoting common stock and the” before “voting common stock shall have such”, struck out at end “Nonvoting common stock of the Corporation shall be evidenced in the manner and shall be transferable only to the extent, to the transferees, and in the manner, provided by the Corporation.”, and struck out former subsec. (b) which read as follows: “The Federal home loan banks shall from time to time subscribe, at such price not less than par as the Corporation shall from time to time fix, for such amounts of nonvoting common stock as the Corporation prescribes, and such banks shall pay therefor at such time or times and in such amount or amounts as may from time to time be fixed by call of the Corporation. The amount of the payments for which such banks may be obligated under such subscriptions shall not exceed a cumulative total of \$100,000,000.”

Subsec. (c). Pub. L. 102-550, §1382(i)(1), struck out subsec. (c) which read as follows: “Subscriptions of the respective Federal home loan banks to nonvoting common stock shall be allocated by the Corporation.”

Subsec. (d). Pub. L. 102-550, §1382(i)(1), struck out subsec. (d) which read as follows: “The Corporation may retire at any time all or any part of the nonvoting common stock of the Corporation, or may call for retirement all or any part of the nonvoting common stock of the Corporation by (1) publishing a notice of the call in the Federal Register or providing such notice in such other manner as the Corporation may determine to be appropriate, and (2) depositing with the Treasurer of the United States, for the purpose of such retirement,

funds sufficient to effect such retirement. No call for the retirement of any nonvoting common stock shall be made, and no nonvoting common stock shall be retired without call, if immediately after such action, the total of the nonvoting common stock not called for retirement and of the reserves and surplus of the Corporation would be less than \$100,000,000. The retirement of nonvoting common stock shall be at the par value thereof, or at the price at which such nonvoting common stock was issued if such price is greater than par value. No declaration of any dividend on nonvoting common stock of the Corporation shall be effective with respect to nonvoting common stock which at the time of such declaration is the subject of an outstanding retirement call the effective date of which has arrived.”

1989—Subsec. (a). Pub. L. 101-73, §731(d)(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The capital stock of the Corporation shall consist of nonvoting common stock which shall be issued only to Federal home loan banks and shall have such par value and such other characteristics as the Corporation prescribes. Stock of the Corporation shall be evidenced in such manner and shall be transferable only to such extent, to such transferees, and in such manner as the Corporation prescribes.”

Subsec. (b). Pub. L. 101-73, §731(d)(3)(A), substituted “nonvoting common stock” for “common stock”.

Subsec. (c). Pub. L. 101-73, §731(d)(3)(B), substituted “nonvoting common stock” for “such stock”.

Subsec. (d). Pub. L. 101-73, §731(d)(3)(C), inserted “nonvoting common” before “stock” wherever appearing.

CONVERSION OF STOCK

Pub. L. 101-73, title VII, §731(d)(2), Aug. 9, 1989, 103 Stat. 432, provided that: “On the date of the enactment of this Act [Aug. 9, 1989], each share of outstanding senior participating preferred stock of the Federal Home Loan Mortgage Corporation, with a par value of \$2.50 per share, shall be changed into and shall become 1 share of voting common stock of the Corporation. Such voting common stock shall, with respect to the nonvoting common stock of the Corporation, retain all of the rights, priorities and privileges of the senior participating preferred stock. The transformation of the senior participating preferred stock into voting common stock under this paragraph shall be deemed to satisfy the obligation of the Corporation to redeem senior participating preferred stock for non-callable common stock.”

§ 1454. Purchase and sale of mortgages; residential mortgages; conventional mortgages; terms and conditions of sale or other disposition; authority to enter into, perform, and carry out transactions

(a) Authority for purchase and sale; residential mortgages; conventional mortgages; terms and conditions of sale or other disposition; lending activities

(1) The Corporation is authorized to purchase, and make commitments to purchase, residential mortgages. The Corporation may hold and deal with, and sell or otherwise dispose of, pursuant to commitments or otherwise, any such mortgage or interest therein. The operations of the Corporation under this section shall be confined so far as practicable to residential mortgages which are deemed by the Corporation to be of such quality, type, and class as to meet generally the purchase standards imposed by private institutional mortgage investors. The Corporation may establish requirements, and impose charges or fees, which may be regarded as elements of pricing, for different classes of sellers