

Statutory Notes and Related Subsidiaries

CHANGE OF NAME

“Home Loan Bank Board” changed to “Federal Home Loan Bank Board” by act Aug. 11, 1955, ch. 783, §109(a)(3), which was classified to section 1437(b) of this title prior to the repeal of section 1437 by Pub. L. 101-73, title VII, §703(a), Aug. 9, 1989, 103 Stat. 415. Previously, “Home Loan Bank Board” had been substituted for “Federal Home Loan Bank Board” by Reorg. Plan No. 3 of 1947.

TRANSFER OF FUNCTIONS

Federal Home Loan Bank Board abolished and functions transferred, see sections 401 to 406 of Pub. L. 101-73, set out as a note under section 1437 of this title.

Executive Documents

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of the Treasury, see note set out under section 55 of this title.

§ 1440. Examinations and audits

The Director shall from time to time, at least annually, require examinations and reports of condition of all Federal Home Loan Banks in such form as the Director shall prescribe and shall furnish periodically statements based upon the reports of the banks to the Director. For the purposes of this chapter, examiners appointed by the Director shall be subject to the same requirements, responsibilities, and penalties as are applicable to examiners under the National Bank Act [12 U.S.C. 21 et seq.] and the Federal Reserve Act [12 U.S.C. 221 et seq.], and shall have, in the exercise of functions under this chapter, the same powers and privileges as are vested in such examiners by law. In addition to such examinations, the Comptroller General may audit or examine the Director and the Banks, to determine the extent to which the Director and the Banks are fairly and effectively fulfilling the purposes of this chapter.

(July 22, 1932, ch. 522, §20, 47 Stat. 738; June 27, 1950, ch. 369, §10, 64 Stat. 259; Aug. 2, 1954, ch. 649, title VIII, §802(f), 68 Stat. 643; Pub. L. 101-73, title VII, §§701(b)(1), (3)(A), 702(b), Aug. 9, 1989, 103 Stat. 412, 415; Pub. L. 110-289, div. A, title II, §1204(8), (9), July 30, 2008, 122 Stat. 2786.)

Editorial Notes

REFERENCES IN TEXT

The National Bank Act, referred to in text, is act June 3, 1864, ch. 106, 13 Stat. 99, as amended, which is classified principally to chapter 2 (§21 et seq.) of this title. For complete classification of this Act to the Code, see References in Text note set out under section 38 of this title.

The Federal Reserve Act, referred to in text, is act Dec. 23, 1913, ch. 6, 38 Stat. 251, as amended, which is classified principally to chapter 3 (§221 et seq.) of this title. For complete classification of this Act to the Code, see References in Text note set out under section 226 of this title and Tables.

AMENDMENTS

2008—Pub. L. 110-289 substituted “The Director” for “The Board” and “the Director” for “the Board” wherever appearing.

1989—Pub. L. 101-73, §702(b), inserted provisions relating to audit or examination by the Comptroller General.

Pub. L. 101-73, §701(b)(1), (3)(A), substituted “Board” for “board” wherever appearing.

1954—Act Aug. 2, 1954, struck out second sentence relating to annual report of the board to Congress. See section 1437(b) of this title.

1950—Act June 27, 1950, struck out “twice” before “annually”.

§ 1440a. Sharing of information among Federal Home Loan Banks**(a) Information on financial condition**

In order to enable each Federal Home Loan Bank to evaluate the financial condition of one or more of the other Federal Home Loan Banks individually and the Federal Home Loan Bank System (including any risks associated with the issuance or repayment of consolidated Federal Home Loan Bank bonds and debentures or other borrowings and the joint and several liabilities of the Banks incurred due to such borrowings), as well as to comply with any of its obligations under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Director shall make available to the Banks such reports, records, or other information as may be available, relating to the condition of any Federal Home Loan Bank.

(b) Sharing of information**(1) In general**

The Director shall promulgate regulations to facilitate the sharing of information made available under subsection (a) directly among the Federal Home Loan Banks.

(2) Limitation

Notwithstanding paragraph (1), a Federal Home Loan Bank responding to a request from another Bank or from the Director for information pursuant to this section may request that the Director determine that such information is proprietary and that the public interest requires that such information not be shared.

(c) Limitation

Nothing in this section shall affect the obligations of any Federal Home Loan Bank under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the regulations issued by the Securities and Exchange Commission thereunder.

(d) No waiver of privilege

The Director shall not be deemed to have waived any privilege applicable to any information concerning a Federal Home Loan Bank by transferring, or permitting the transfer of, that information to any other Federal Home Loan Bank for the purposes set out in subsection (a).

(July 22, 1932, ch. 522, §20A, as added Pub. L. 110-289, div. A, title II, §1207, July 30, 2008, 122 Stat. 2787.)

Editorial Notes

REFERENCES IN TEXT

The Securities Exchange Act of 1934, referred to in subsecs. (a) and (c), is act June 6, 1934, ch. 404, 48 Stat. 881, which is classified principally to chapter 2B (§78a et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 78a of Title 15 and Tables.

§ 1441. Financing Corporation**(a) Establishment**

Notwithstanding any other provision of law, the Director shall charter a corporation to be known as the Financing Corporation.

(b) Management of Financing Corporation**(1) Directorate**

The Financing Corporation shall be under the management of a directorate composed of 3 members as follows:

(A) The Director of the Office of Finance of the Federal Home Loan Banks (or the head of any successor to such office).

(B) 2 members selected by the Director from among the presidents of the Federal Home Loan Banks.

(2) Terms

Each member appointed under paragraph (1)(B) shall be appointed for a term of 1 year.

(3) Vacancy

If any member leaves the office in which such member was serving when appointed to the Directorate—

(A) such member's service on the Directorate shall terminate on the date such member leaves such office; and

(B) the successor to the office of such member shall serve the remainder of such member's term.

(4) Equal representation of banks

No president of a Federal Home Loan Bank may be appointed to serve an additional term on the Directorate until such time as the presidents of each of the other Federal Home Loan Banks have served as many terms on the Directorate as the president of such bank (before the appointment of such president to such additional term).

(5) Chairperson

The Director shall select the chairperson of the Directorate from among the 3 members of the Directorate.

(6) Staff**(A) No paid employees**

The Financing Corporation shall have no paid employees.

(B) Powers

The Directorate may, with the approval of the Director, authorize the officers, employees, or agents of the Federal Home Loan Banks to act for and on behalf of the Financing Corporation in such manner as may be necessary to carry out the functions of the Financing Corporation.

(7) Administrative expenses**(A) In general**

All administrative expenses of the Financing Corporation shall be paid by the Federal Home Loan Banks.

(B) Pro rata distribution

The amount each Federal Home Loan Bank shall pay shall be determined by the Director by multiplying the total adminis-

trative expenses for any period by the percentage arrived at by dividing—

(i) the aggregate amount the Director required such bank to invest in the Financing Corporation (as of the time of such determination) under paragraphs (4) and (5) of subsection (d) (as computed without regard to paragraph (3) or (6) of such subsection); by

(ii) the aggregate amount the Director required all Federal Home Loan Banks to invest (as of the time of such determination) under such paragraphs.

(C) Administrative expenses defined

For purposes of this paragraph, the term "administrative expenses" does not include—

(i) issuance costs (as such term is defined in subsection (g)(5)(A));

(ii) any interest on (and any redemption premium with respect to) any obligation of the Financing Corporation; or

(iii) custodian fees (as such term is defined in subsection (g)(5)(B)).

(8) Regulation by Director

The Directorate shall be subject to such regulations, orders, and directions as the Director may prescribe.

(9) No compensation from Financing Corporation

Members of the Directorate shall receive no pay, allowances, or benefits from the Financing Corporation by reason of their service on the Directorate.

(c) Powers of Financing Corporation

The Financing Corporation shall have only the following powers, subject to the other provisions of this section and such regulations, orders, and directions as the Director may prescribe:

(1) To issue nonvoting capital stock to the Federal Home Loan Banks.

(2) To invest in any security issued by the Federal Savings and Loan Insurance Corporation under section 1725(b) of this title prior to August 9, 1989, and thereafter to transfer the proceeds of any obligation issued by the Financing Corporation to the FSLIC Resolution Fund.

(3) To issue debentures, bonds, or other obligations and to borrow, to give security for any amount borrowed, and to pay interest on (and any redemption premium with respect to) any such obligation or amount.

(4) To impose assessments in accordance with subsection (f).

(5) To adopt, alter, and use a corporate seal.

(6) To have succession until dissolved.

(7) To enter into contracts.

(8) To sue and be sued in its corporate capacity, and to complain and defend in any action brought by or against the Financing Corporation in any State or Federal court of competent jurisdiction.

(9) To exercise such incidental powers not inconsistent with the provisions of this section as are necessary or appropriate to carry out the provisions of this section.