PART 615—FUNDING AND FISCAL AFFAIRS, LOAN POLICIES AND OPERATIONS, AND FUNDING OPERATIONS

3. The authority citation for part 615 continues to read as follows:

Authority: Secs. 1.5, 1.7, 1.10, 1.11, 1.12, 2.2, 2.3, 2.4, 2.5, 2.12, 3.1, 3.7, 3.11, 3.25, 4.3, 4.9, 4.14B, 4.25, 5.9, 5.17, 6.20, 6.26, 8.0, 8.4, 8.6, 8.7, 8.8, 8.10, 8.12 of the Farm Credit Act (12 U.S.C. 2013, 2015, 2018, 2019, 2020, 2073, 2074, 2075, 2076, 2093, 2122, 2128, 2132, 2146, 2154, 2160, 2202b, 2211, 2243, 2252, 2278b, 2279a-6, 2279aa, 2279aa-4, 2279aa-6, 2279aa-7, 2279aa-8, 2279aa-10, 2279aa-12); sec. 301(a) of Pub. L. 100-233, 101 Stat. 1568, 1608.

Subpart C—Issuance of Bonds, Notes, Debentures and Similar Obligations

§615.5104 [Removed]

4. Section 615.5104 is removed.

§615.5105 [Amended]

5. Section 615.5105 is amended by removing paragraph (c).

Subpart F—Property and Other Investments

§615.5170 [Amended]

6. Section 615.5170 is amended by removing paragraphs (b), (c), (d), (e) and the designation for paragraph (a).

Subpart G—[Removed and reserved]

7. Subpart G, consisting of § 615.5190, is removed and reserved.

Subpart O—Issuance of Farm Credit Securities

§ 615.5498 [Removed and reserved]

8. Section 615.5498 is removed and

Subpart P—[Removed and reserved]

9. Subpart P, consisting of §§ 615.5500, 615.5520, and 615.5530 is removed and reserved.

PART 618—GENERAL PROVISIONS

10. The authority citation for part 618 continues to read as follows:

Authority: Secs. 1.5, 1.11, 1.12, 2.2, 2.4, 2.5, 2.12, 3.1, 3.7, 4.12, 4.13A, 4.25, 4.29, 5.9, 5.10, 5.17 of the Farm Credit Act (12 U.S.C. 2013, 2019, 2020, 2073, 2075, 2076, 2093, 2122, 2128, 2183, 2200, 2211, 2218, 2243, 2244, 2252).

Subpart F—Miscellaneous Provisions

§ 618.8220 [Removed and reserved]

11. Section 618.8220 is removed and reserved.

Dated: March 13, 1995.

Floyd Fithian,

Secretary, Farm Credit Administration Board. [FR Doc. 95–10007 Filed 4–21–95; 8:45 am]
BILLING CODE 6705–01–P

12 CFR Part 620

RIN 3052-AB37

Disclosure to Shareholders

AGENCY: Farm Credit Administration.
ACTION: Final rule.

SUMMARY: The Farm Credit Administration (FCA), by the Farm Credit Administration Board, issues a final regulation amending its disclosure requirements for association annual meeting information statements including required disclosures for director candidates nominated from the floor. The amendments provide associations more flexibility in accepting floor nominations for director positions, clarify disclosure requirements when annual meetings are held in more than one session and shareholders vote by mail, and make other technical changes.

EFFECTIVE DATE: The regulations shall become effective upon expiration of 30 days after publication in the **Federal Register** during which either or both Houses of Congress are in session. Notice of the effective date will be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT:

Laurie A. Rea, Policy Analyst, Office of Examination, Farm Credit Administration, McLean, VA 22102– 5090, (703) 883–4498, or James M. Morris, Senior Attorney, Office of General Counsel, Farm Credit Administration, McLean, VA 22102–5090, (703) 883–4020, TDD (703) 883–4444.

SUPPLEMENTARY INFORMATION:

Background

On September 13, 1993, the FCA issued a proposed regulation (58 FR 47836) that would amend certain aspects of § 620.21(d) pertaining to required disclosures in the association annual meeting information statement (Statement) concerning the nominating and balloting process for association directors. The FCA proposed changes to § 620.21(d) after learning that the regulation may have inadvertently placed an undue burden on certain members. Section 620.21(d)(3) required the Statement to "contain a notice that nominations from the floor must be made at the first sectional meeting' when the association's annual meeting

was held in consecutive sectional sessions. Consequently, certain members that would have otherwise attended a different session were required to travel to the first sectional session if they wished to participate in the floor nominating process. Sections 620.21(d)(5) and (d)(6) also required that persons nominated from the floor provide the necessary written disclosures "in writing at the meeting(s) at which the nomination is considered."

The FCA proposed regulatory amendments to make it less burdensome for members to participate in the floor nominating process. If the association's members are voting by mail ballot at the conclusion of all sessions of the annual meeting, the proposed rule allowed floor nominations at any sectional session. The proposed rule also relaxed the disclosure requirement for floor nominees by allowing them to provide the mandated disclosures "within 10 days of nominations" instead of "at the meeting(s) at which the nomination is considered." The FCA believed that these regulatory changes would afford members more opportunity to nominate candidates from the floor when voting by mail ballot after the annual meeting is concluded and make it easier for floor nominees to provide the required disclosures without any significant inconvenience to management or other nominees.

The FCA received four comment letters on the proposed rule during the comment period that expired on October 13, 1993. One letter was submitted by a Farm Credit bank, two letters by associations, and one by the Farm Credit Council (Council) on behalf of its membership. Commenters were generally supportive of the proposed changes. The Council commented that its membership applauded the FCA's responsiveness to Farm Credit System institutions' concerns.

The final regulation allows persons to be nominated from the floor at any sectional session when the director election is conducted by mail balloting following the final session of the annual meeting. However, in response to a comment from the Council, the FCA has changed the regulation so that associations can specify in their bylaws that nominations from the floor will be accepted only at the first session. The final rule requires persons nominated from the floor to provide associations with the written disclosure information for mailing with the ballot. The final rule also allows associations using mail balloting after the last session the latitude to prescribe in their bylaws the time period for floor nominees to submit the required disclosures.