

(c) *Communications with parties other than consumers.* The consumer disclosure requirements of E-SIGN and of Federal Reserve Board Regulation B (12 CFR part 202) do not apply to your communications with parties other than consumers. (Federal Reserve Board Regulations M and Z (12 CFR parts 213 and 226) apply to consumers only.) Nonetheless, you must ensure that your communications, including those disclosures required under the Act and the regulations in this part, demonstrate good business practices in the delivery of credit and closely related services and in your obtaining goods and services.

PART 611—ORGANIZATION

Subparts A–B [Reserved]

Subpart C—Election of Directors and Other Voting Procedures

Sec.

- 611.310 Eligibility for membership on bank and association boards and subsequent employment.
- 611.320 Impartiality in the election of directors.
- 611.330 Confidentiality in voting.
- 611.340 Security in voting.
- 611.350 Application of cooperative principles to the election of directors.

Subpart D—Rules for Compensation of Board Members

- 611.400 Compensation of bank board members.

Subpart E—Transfer of Authorities

- 611.500 General.
- 611.501 Procedures.
- 611.505 Farm Credit Administration review.
- 611.510 Approval procedures.
- 611.515 Information statement.
- 611.520 Plan of transfer.
- 611.525 Stockholder reconsideration.

Subpart F—Bank Mergers, Consolidations and Charter Amendments

- 611.1000 General authority.
- 611.1010 Bank charter amendment procedures.
- 611.1020 Requirements for mergers or consolidations of banks.
- 611.1030 Board of directors of an agricultural credit bank.
- 611.1040 Creation of new associations.

Subpart G—Mergers, Consolidations, and Charter Amendments of Associations

- 611.1120 General authority.
- 611.1121 Charter amendment procedures.
- 611.1122 Requirements for mergers or consolidations.
- 611.1123 Merger or consolidation agreements.
- 611.1124 Territorial adjustments.
- 611.1125 Treatment of associations not approving districtwide mergers.

Subpart H—Rules for Inter-System Fund Transfers

- 611.1130 Inter-System transfer of funds and equities.

Subpart I—Service Organizations

- 611.1135 Incorporation of service corporations.
- 611.1136 Regulation and examination of service organizations.
- 611.1137 Title VIII service corporations.

Subpart J–O [Reserved]

Subpart P—Termination of System Institution Status

- 611.1200 Applicability of this subpart.
- 611.1205 Definitions that apply in this subpart.
- 611.1210 Commencement resolution and advance notice.
- 611.1215 Prohibited acts.
- 611.1220 Filing of termination application.
- 611.1221 Filing of termination application—timing.
- 611.1222 Plan of termination—contents.
- 611.1223 Information statement—contents.
- 611.1230 FCA review and approval.
- 611.1240 Voting record date and stockholder approval.
- 611.1245 Stockholder reconsideration.
- 611.1250 Preliminary exit fee estimate.
- 611.1255 Exit fee calculation.
- 611.1260 Payment of debts and assessments—terminating association.
- 611.1265 Retirement of a terminating association's investment in its affiliated bank.
- 611.1270 Repayment of obligations—terminating bank.
- 611.1275 Retirement of equities held by other System institutions.
- 611.1280 Dissenting stockholders' rights.
- 611.1285 Loan refinancing by borrowers.
- 611.1290 Continuation of borrower rights.

AUTHORITY: Secs. 1.3, 1.13, 2.0, 2.10, 3.0, 3.21, 4.12, 4.15, 4.20, 4.21, 5.9, 5.10, 5.17, 6.9, 6.26, 7.0–7.13, 8.5(e) of the Farm Credit Act (12 U.S.C. 2011, 2021, 2071, 2091, 2121, 2142, 2183, 2203, 2208, 2209, 2243, 2244, 2252, 2278a–9, 2278b–6, 2279a–2279f–1, 2279aa–5(e)); secs. 411 and 412 of Pub.

§611.310

L. 100-233, 101 Stat. 1568, 1638; secs. 409 and 414 of Pub. L. 100-399, 102 Stat. 989, 1003, and 1004.

SOURCE: 37 FR 11415, June 7, 1972, unless otherwise noted.

Subparts A-B [Reserved]

Subpart C—Election of Directors and Other Voting Procedures

SOURCE: 53 FR 50392, Dec. 15, 1988, unless otherwise noted.

§611.310 Eligibility for membership on bank and association boards and subsequent employment.

(a) No person shall be eligible for membership on a bank or association board who is or has been, within 1 year preceding the date the term of office begins, a salaried officer or employee of any bank or association in the System.

(b) No bank or association director shall be eligible to continue to serve in that capacity and his or her office shall become vacant if after election as a member of the board, he or she becomes legally incompetent or is convicted of a felony or held liable in damages for fraud.

(c) No bank director shall, within 1 year after the date when he or she ceases to be a member of the board, serve as a salaried officer or employee of such bank, or any association with which the bank has a discount or agent relationship.

(d) No director of an association shall, within 1 year after he or she ceases to be a member of the board, serve as a salaried officer or employee of such association.

[53 FR 50392, Dec. 15, 1988, as amended at 54 FR 37095, Sept. 7, 1989]

§611.320 Impartiality in the election of directors.

(a) Each System institution shall adopt policies and procedures that are designed to assure that the elections of board members are conducted in an impartial manner.

(b) No employee or agent of a System institution shall take any part, directly or indirectly, in the nomination or election of members to the board of

12 CFR Ch. VI (1-1-06 Edition)

directors of a System institution, or make any statement, either orally or in writing, which may be construed as intended to influence any vote in such nominations, or elections. This paragraph shall not prohibit employees or agents from providing biographical and other similar information or engaging in other activities pursuant to policies and procedures for nominations and elections. This paragraph does not affect the right of an employee or agent to nominate or vote for directors of an institution in which the employee or agent is a voting member.

(c) No property, facilities, or resources of any System institution shall be used by any candidate for nomination or election or by any other person for the benefit of any candidate for nomination or election, unless the same property, facilities, or resources are simultaneously available and made known to be available for use by all declared candidates.

(d) No director, employee, or agent of a System institution shall, for the purpose of furthering the interests of any candidates for nomination or election, furnish or make use of records that are not made available for use by all declared candidates.

(e) No System institution shall distribute or mail either directly or at the expense of the institution, any campaign materials for director candidates. Institutions shall request biographical information from all declared candidates who certify that they are eligible, restate such information in a standard format, and distribute or mail it with ballots or proxy ballots.

§611.330 Confidentiality in voting.

(a) No bank or association may use signed ballots in stockholder votes. Each bank and association must adopt policies and procedures to ensure that all information and materials regarding how or whether an individual stockholder has voted remain confidential, including with respect to the institution, its directors, stockholders, or employees, or any other person except:

- (1) An independent third party tabulating the vote; or
- (2) The Farm Credit Administration.