

association voting, in person or by written proxy, at a duly authorized stockholders meeting.

“(2) SUBMISSION TO FCA.—Not later than 60 days prior to the end of the 12-month period beginning on the date of the enactment of this section [Jan. 6, 1988], the plan of merger under subsection (a), together with all information to be presented to the stockholders, shall be submitted to the Farm Credit Administration.

“(3) EXPEDITED CONSIDERATION BY FCA.—The Farm Credit Administration shall expedite its consideration of the plan and accompanying information submitted under paragraph (2) so that review and approval of such plan and information shall be completed by the Administration so as to enable a stockholder vote to occur within the 12-month period referred to in paragraph (2).

“(c) DIRECT LENDERS.—On approval of a merger under this subsection, the resulting association shall be a direct lender in the same manner as applies to production credit associations.”

#### REASSIGNMENT OF ASSOCIATIONS TO ADJOINING DISTRICTS

Pub. L. 100-233, title IV, §433, Jan. 6, 1988, 101 Stat. 1662, as amended by Pub. L. 100-399, title IV, §417, Aug. 17, 1988, 102 Stat. 1004, provided that:

“(a) PETITION OF BANK.—Notwithstanding any other provision of law, effective for the 12-month period beginning on the date of enactment of this Act [Jan. 6, 1988], each Federal land bank association or production credit association, whose chartered territory adjoins the territory of another district, may petition the Farm Credit Administration to amend the charters of the association and the adjoining district bank to provide that the territory of the association is part of the adjoining district.

“(b) REQUIREMENTS OF PETITION.—To be considered under this section, the petition must be signed by not less than 15 percent of the stockholders of the association. Only one such petition may be filed by an association under this section.

“(c) FCA ACTION.—The Farm Credit Administration shall take any action necessary—

“(1) to amend the charters of the association and the district bank; and

“(2) to incorporate the petitioning association into the adjoining district if the reassignment is approved by—

“(A) a majority of the stockholders of the association voting, in person or by proxy, at a duly authorized stockholders’ meeting held for such purpose;

“(B) the board of directors of the adjoining district bank;

“(C) the Farm Credit System Assistance Board; and

“(D) the Farm Credit Administration Board.”

#### § 2072. Board of directors

Each production credit association shall elect from the voting members of such association, a board of directors of such number, for such terms, with such qualifications, and in such manner as may be required by the bylaws of the association, except that at least one member shall be elected by the other directors, which member shall not be a director, officer, employee, stockholder, or agent of a System institution.

(Pub. L. 92-181, title II, §2.1, as added Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1630; amended Pub. L. 100-399, title IV, §401(n), Aug. 17, 1988, 102 Stat. 997; Pub. L. 102-237, title V, §502(c), Dec. 13, 1991, 105 Stat. 1868.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 2072, Pub. L. 92-181, title II, §2.1, Dec. 10, 1971, 85 Stat. 591; Pub. L. 96-592, title II, §201, Dec. 24, 1980, 94 Stat. 3439; Pub. L. 99-205, title II, §205(e)(1), Dec. 23, 1985, 99 Stat. 1704; Pub. L. 100-233, title VII, §705(c), title VIII, §§802(i), 805(d), Jan. 6, 1988, 101 Stat. 1707, 1711, 1715; Pub. L. 100-399, title VI, §604, title IX, §901(b), Aug. 17, 1988, 102 Stat. 1006, 1007, related to corporate existence and general corporate powers, prior to the general amendment of this subchapter by Pub. L. 100-233, §401.

##### AMENDMENTS

1991—Pub. L. 102-237 substituted “stockholder, or agent” for “or stockholder”.

1988—Pub. L. 100-399 struck out the comma after “except that”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-399 effective immediately after amendment made by section 401 of Pub. L. 100-233, which was effective 6 months after Jan. 6, 1988, see section 1001(b) of Pub. L. 100-399, set out as a note under section 2002 of this title.

##### EFFECTIVE DATE

Pub. L. 100-233, title IV, §401, Jan. 6, 1988, 101 Stat. 1622, provided in part that this section is effective 6 months after Jan. 6, 1988.

#### § 2073. General corporate powers

Each production credit association shall be a body corporate and, subject to supervision by the Farm Credit Bank for the district and regulation by the Farm Credit Administration, shall have the power to—

(1) have succession until terminated in accordance with this chapter or any other Act of Congress;

(2) adopt and use a corporate seal;

(3) make contracts;

(4) sue and be sued;

(5) acquire, hold, dispose, and otherwise exercise all of the usual incidents of ownership of real and personal property necessary or convenient to the business of the association;

(6) operate under the direction of the board of directors of the association in accordance with the provisions of this chapter;

(7) subscribe to stock of the bank;

(8) purchase stock of the bank held by other production credit associations and stock of other production credit associations;

(9) contribute to the capital of the bank or other production credit associations;

(10) invest funds of the association as may be approved by the Farm Credit Bank under regulations of the Farm Credit Administration and deposit the current funds and securities of such with the Farm Credit Bank, a member bank of the Federal Reserve System, or any bank insured under the Federal Deposit Insurance Corporation, and may pay fees therefor and receive interest thereon as may be agreed;

(11) buy and sell obligations of or insured by the United States or of any agency thereof or of any banks of the Farm Credit System and buy from and sell to such banks, interests in loans and in other financial assistance ex-