

that purpose. Nothing in this section shall contravene or be deemed to circumscribe in any manner the authority of FHFA to obtain any information from any Bank related to the preparation or review of any financial report.

PART 1278—VOLUNTARY MERGERS OF FEDERAL HOME LOAN BANKS

Sec.

- 1278.1 Definitions.
- 1278.2 Authority.
- 1278.3 Merger agreement.
- 1278.4 Merger application.
- 1278.5 Approval by Director.
- 1278.6 Ratification by Bank members.
- 1278.7 Consummation of the merger.

AUTHORITY: 12 U.S.C. 1432(a), 1446, 4511.

SOURCE: 76 FR 72833, Nov. 28, 2011, unless otherwise noted.

§ 1278.1 Definitions.

Bank, written in title case, means a Federal Home Loan Bank established under section 12 of the Bank Act (12 U.S.C. 1432).

Bank Act means the Federal Home Loan Bank Act, as amended (12 U.S.C. 1421 through 1449).

Constituent Bank means a Bank that is proposing to merge with one or more other Banks. Each Bank entering into a merger is a Constituent Bank, regardless of whether it is also a Continuing Bank.

Continuing Bank means a Bank that will exist as the result of a merger of two or more Constituent Banks, and when used in the singular shall include the plural.

Director, written in title case, means the Director of FHFA or his or her designee.

Disclosure Statement means a written document that contains, to the extent applicable, all of the items that a Bank would be required to include in a Form S-4 Registration Statement under the Securities Act of 1933 (or any successor form promulgated by the United States Securities and Exchange Commission governing disclosure required for securities issued in business combination transactions) when prepared as a prospectus as directed in Part I of the form, if the Bank were required to provide such a prospectus to its shareholders in connection with a merger.

Effective Date means the date on which the organization certificate of the Continuing Bank becomes effective as provided under § 1278.7.

FHFA means the Federal Housing Finance Agency.

Financial Statements means statements of condition, income, capital, and cash flows, with explanatory notes, in such form as the Banks are required to include in their filings made under the Securities and Exchange Act of 1934.

GAAP means accounting principles generally accepted in the United States as in effect from time to time.

Merge or *Merger* means:

- (1) A merger of one or more Banks into another Bank;
- (2) A consolidation of two or more Banks resulting in a new Bank;
- (3) A purchase of substantially all of the assets, and assumption of substantially all of the liabilities, of one or more Banks by another Bank or Banks; or
- (4) Any other business combination of two or more Banks into one or more resulting Banks.

Office of Finance means the Office of Finance, a joint office of the Banks established under part 1273 of this chapter.

Record Date means the date established by a Bank's board of directors for determining the members that are entitled to vote on the ratification of the merger agreement and the number of ballots that may be cast by each in the election.

§ 1278.2 Authority.

Any two or more Banks may merge voluntarily under authority of section 26(b) of the Bank Act, provided that each of the following requirements has been satisfied:

- (a) The Constituent Banks have executed a written merger agreement that satisfies all requirements of § 1278.3;
- (b) The Constituent Banks have jointly filed a merger application with FHFA that satisfies all requirements of § 1278.4;
- (c) The Director has approved the merger application in accordance with the requirements of § 1278.5;