

(6) The capital adequacy plan adopted pursuant to §§615.5200(b), 615.5330 (c) or (d), and 615.5335(b).

[53 FR 39250, Oct. 6, 1988, as amended at 62 FR 4450, Jan. 30, 1997]

PART 619—DEFINITIONS

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AUTHORITY: Secs. 1.7, 2.4, 4.9, 5.9, 5.12, 5.17, 5.18, 7.0, 7.6, 7.7, 7.8 of the Farm Credit Act; 12 U.S.C. 2015, 2075, 2160, 2243, 2246, 2252, 2253, 2279a, 2279b, 2279b-1, 2279b-2.

SOURCE: 37 FR 11446, June 7, 1972, unless otherwise noted.

§619.9000 The Act.

The Farm Credit Act of 1971; Pub. L. 92-181 and amendments.

§619.9010 Additional security.

Supplementary collateral to the primary security taken in connection with the loan.

§619.9015 Agricultural credit associations.

Agricultural credit associations are associations created by the merger of one or more Federal land bank associations or Federal land credit associations and one or more production credit associations and which have received a transfer of authority to make and participate in long-term real estate

mortgage loans pursuant to section 7.6 of the Act.

[55 FR 24888, June 19, 1990]

§619.9020 Agricultural credit banks.

Agricultural credit banks are those banks created by the merger of a Farm Credit Bank and a bank for cooperatives pursuant to section 7.0 of the Act.

[55 FR 24888, June 19, 1990]

§619.9025 Agricultural land.

Land improved or unimproved which is devoted to or available for the production of crops and other products such as but not limited to fruits and timber or for the raising of livestock.

[37 FR 11446, June 7, 1972. Redesignated at 55 FR 24888, June 19, 1990]

§619.9050 Associations.

The term *associations* includes (individually or collectively) Federal land bank associations, Federal land credit associations, production credit associations, and agricultural credit associations.

[55 FR 24888, June 19, 1990]

§619.9060 Bank for cooperatives.

A bank for cooperatives is a bank that is operating under section 3.0 of the Act.

[61 FR 67188, Dec. 20, 1996]

§619.9110 Consolidation.

Creation of one new organizational entity from two or more existing entities or parts thereof.

§619.9130 Differential interest rates.

An interest rate program under which different rates of interest may be made applicable to individual or classes of loans on the basis of type, purpose, amount, quality of loan, or a combination of these factors.

§619.9135 Direct lender.

The term *direct lender* refers to Farm Credit banks and associations (production credit associations, agricultural credit associations, and Federal land credit associations) authorized to lend

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to eligible borrowers identified in §613.3000.

[55 FR 24889, June 19, 1990]

§619.9140 Farm Credit bank(s).

Except as otherwise defined, the term *Farm Credit bank(s)* includes Farm Credit Banks, agricultural credit banks, and banks for cooperatives.

[55 FR 24889, June 19, 1990]

§619.9145 Farm Credit Bank.

The term *Farm Credit Bank* refers to a bank resulting from the mandatory merger of the Federal land bank and the Federal intermediate credit bank in each Farm Credit district pursuant to section 410 of the Agricultural Credit Act of 1987, Pub. L. 100-233, or any bank resulting from a merger of two or more Farm Credit Banks.

[55 FR 24889, June 19, 1990]

§619.9146 Farm Credit institutions.

Except as otherwise defined, the term *Farm Credit institutions* refers to all institutions chartered and regulated by the Farm Credit Administration as described in section 1.2 of the Act, and to the Funding Corporation.

[55 FR 24889, June 19, 1990, as amended at 56 FR 2675, Jan. 24, 1991]

§619.9155 Federal land credit association.

The term *Federal land credit association* refers to a Federal land bank association that has received a transfer of direct long-term real estate lending authority pursuant to section 7.6 of the Act.

[55 FR 24889, June 19, 1990]

§619.9170 Fixed interest rate.

The rate of interest specified in the note or loan document which will prevail as the maximum rate chargeable to the borrower during the period of the loan.

§619.9180 Fixed interest spread.

A percentage to be added to the cost of money to the bank or association as the means of establishing a lending rate.

§619.9185 Funding Corporation.

The term *Funding Corporation* refers to the Federal Farm Credit Banks Funding Corporation established pursuant to section 4.9 of the Act.

[55 FR 24889, June 19, 1990]

§619.9195 Loan participation.

A fractional undivided interest in the principal amount of a loan that is sold by a lead lender to a participating institution in accordance with the requirements of §614.4330 of this chapter. The term "loan participation" does not include a subordinated participation interest.

[57 FR 38250, Aug. 24, 1992]

§619.9200 Loss-sharing agreements.

A contractual arrangement under which the parties agree to share losses associated with loans or otherwise, as may be provided for in the agreement.

[42 FR 20457, Apr. 20, 1977]

§619.9210 Merger.

Combining of one or more organizational entities into another similar entity.

§619.9230 Open-end mortgage loan plans.

A mortgage loan which permits the borrower to obtain additional sums during the term of the loan.

§619.9240 Participation agreement.

A contract under which a lender agrees to sell a portion of a loan to one or more purchasers under specific terms set forth in the agreement.

§619.9250 Participation certificates.

Evidence of investment in a bank or association to which all the rights and obligations of stock attach with the exception of the right to vote in the affairs of the institution.

§619.9260 Primary security.

The basic collateral securing the loan.

§ 619.9330 Speculative purposes.

To buy or sell with the expectation of profiting by fluctuations in price.

[40 FR 49078, Oct. 21, 1975]

§ 619.9340 Variable interest rate.

An interest rate on the outstanding loan balances, which may be changed from time to time during the period of the loan, if provision is made in the note or loan document.

PART 620—DISCLOSURE TO SHAREHOLDERS

Subpart A—General

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620.40 Content, timing, and distribution of Federal Agricultural Mortgage Corporation's annual report of condition.

AUTHORITY: Secs. 5.17, 5.19, 8.11 of the Farm Credit Act; 12 U.S.C. 2252, 2254, 2279aa-11; sec. 424 of Pub. L. 100-233, 101 Stat. 1568, 1656.

Subpart A—General

§ 620.1 Definitions.

For the purpose of this part, the following definitions shall apply:

(a) *Affiliated organization* means any organization, other than a Farm Credit organization, of which a director, senior officer or nominee for director of the reporting institution is a partner, officer, or majority shareholder.

(b) *Association* means any of the associations as described in § 619.9050 of this chapter.

(c) *Bank* means any of the Farm Credit banks as described in § 619.9140 of this chapter.

(d) *Direct lender association* means any association that is a direct lender as described in § 619.9135 of this chapter.

(e) *Immediate family* means spouse, parents, siblings, children, mothers- and fathers-in-law, brothers- and sisters-in-law, and sons- and daughters-in-law.

(f) *Institution* means any bank or association chartered by the Act.

(g) *Loan* means any extension of credit or lease that is recorded as an asset of a reporting institution, whether made directly or purchased from another lender. The term "loan" includes, but is not limited to, loans originated through direct negotiations between the reporting institution and a borrower; purchased loans or interests in loans, including participation interests, retained subordinated participation interests in loans sold, interests in pools of subordinated participation interests that are held in lieu of retaining a subordinated participation interest in loans sold; contracts of sale; notes receivable; and other similar obligations and lease financings.

(h) *Material*. The term *material*, when used to qualify a requirement to furnish information as to any subject, limits the information required to those matters to which there is a substantial likelihood that a reasonable person would attach importance in making shareholder decisions or determining the financial condition of the institution.