

§ 618.8300

(7) Term insurance may be written for the amount of coverage desired by the member or borrower, but in no case may the amount of term insurance, credit life insurance, or a combination of the two with an institution of the System, be in excess of total loan commitments to the member or borrower by the institution writing the insurance.

(8) The banks may, only by agreement with an insurer, offer services traditionally furnished by insurers to the Farm Credit System. This shall include master marketers when considering the sale of Federal crop insurance. The banks shall not underwrite insurance, adjust claim payments or settlements, or train and school or service adjustors or insurance agents.

(9) No bank or association shall, directly or indirectly, condition the extension of credit or provision of other service on the purchase of insurance sold or endorsed by a bank or association. At the time insurance sold or endorsed by a bank or association is offered to a member or borrower, a bank or association shall present a written notice that the service is optional. The notice shall be in prominent type and separately signed by the member or borrower. The bank or association shall explain to the member or borrower that purchase of insurance from the association is optional and that the member or borrower will not be discriminated against for obtaining the insurance elsewhere.

(10) No bank or association shall, directly or indirectly, discriminate in any manner against any agent, broker, or insurer that is not affiliated with such bank or association, or against any party who purchases insurance through any such nonaffiliated insurance agent, broker, or insurer.

(11) Bank supervision shall ensure that insurance services offered by approved insurers consistently provide members or borrowers with a high quality and cost-effective service as prescribed by policies of the bank's board of directors, but such supervision shall be without any coercion or suasion from any bank in favor of any agent or insurer.

(12) Records must be maintained by banks and associations in sufficient de-

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tail to facilitate the review and supervision required herein.

[47 FR 38867, Sept. 3, 1982, as amended at 53 FR 35305, Sept. 13, 1988; 56 FR 65990, Dec. 20, 1991. Redesignated and amended at 60 FR 34099, 34101, June 30, 1995]

Subparts C-F [Reserved]

Subpart G—Releasing Information

§ 618.8300 General regulation.

Except as necessary in performing official duties or as authorized in the following paragraphs, no director or employee of a bank, association, or agency thereof shall disclose information of a type not ordinarily contained in published reports or press releases regarding any such banks or associations or their borrowers or members.

[37 FR 11442, June 7, 1972. Redesignated at 47 FR 12151, Mar. 22, 1982]

§ 618.8310 Lists of borrowers and stockholders.

(a) Any System institution, for the purpose of protecting the security position of the institution, may provide lists of borrowers to buyers, warehousemen, and others who deal in produce or livestock of the kind that secures such loans, except to the extent such actions are prohibited by State laws adopted in accordance with the Food Security Act of 1985, Pub. L. 99-198, 99 Stat. 1354. Lists of borrowers or stockholders shall not otherwise be released by any bank or association except in accordance with paragraph (b) of this section.

(b)(1) Within 7 days after receipt of a written request by a stockholder, each agricultural credit bank, bank for co-operatives, Federal land bank association, production credit association, merged association, or Farm Credit Bank shall provide a current list of its stockholders to such requesting stockholder. As a condition to providing the list, the bank or association may require that the stockholder agree and certify in writing that the stockholder will:

(i) Utilize the list exclusively for communicating with stockholders for permissible purposes; and