

Farm Credit Administration

§ 620.21

established by the Farm Credit Administration and the notice requirement of § 620.15(a);

(ii) Indicates the institution's current level of permanent capital; and

(iii) Notifies shareholders that the institution's permanent capital is below the Farm Credit Administration regulatory minimum standard.

(2) A statement of the effect that noncompliance has had on the institution and its shareholders, including whether the institution is currently prohibited by statute or regulation from retiring stock or distributing earnings or whether the Farm Credit Administration has issued a capital directive or other enforcement action to the institution.

(3) A complete description of any event(s) that may have significantly contributed to the institution's noncompliance with the minimum permanent capital standard.

(4) A statement that the institution is required by regulation to provide another notice to shareholders within 45 days following the end of any subsequent quarter at which the institution's permanent capital ratio decreases by one half of one percent or more from the level reported in the notice.

[62 FR 15093, Mar. 31, 1997, as amended at 67 FR 16634, Apr. 8, 2002]

Subpart E—Association Annual Meeting Information Statement

SOURCE: 51 FR 8656, Mar. 13, 1986, unless otherwise noted. Redesignated at 56 FR 29421, June 27, 1991, and further redesignated at 62 FR 15093, Mar. 31, 1997.

§ 620.20 Preparing and providing the information statement.

(a) Each association of the Farm Credit System shall prepare and provide to its shareholders at least 10 days prior to any meeting at which directors are to be elected an information statement ("statement").

(b) The statement shall incorporate by reference the annual report to shareholders required by subpart B of this part and contain the information specified in § 620.21 and such other material information as is necessary to make the required statement, in light

of the circumstances under which it is made, not misleading.

[51 FR 8656, Mar. 13, 1986, as amended at 53 FR 3337, Feb. 5, 1988. Redesignated and amended at 56 FR 29421, 29425, June 27, 1991; 62 FR 15094, Mar. 31, 1997; 67 FR 16634, Apr. 8, 2002]

§ 620.21 Contents of the information statement and other information to be furnished in connection with the annual meeting.

The statement shall address the following items:

(a) *Date, time, and place of the meeting(s).*

(b) *Voting shareholders.* For each class of stock entitled to vote at the meeting, state the number of shareholders entitled to vote, and, when shareholders are asked to vote on preferred stock, the number of shares entitled to vote. State the record date as of which the shareholders entitled to vote will be determined and the voting requirements for each matter to be voted upon.

(c) *Directors.* (1) State the names and ages of persons currently serving as directors of the institution, their terms of office, and the periods during which such persons have served. No information need be given with respect to any director whose term of office as a director will not continue after the meeting to which the statement relates.

(2) State the name of any incumbent director who attended fewer than 75 percent of the total of board meetings and any board committee meeting of committees on which he or she served during the last fiscal year.

(3) If any director resigned or declined to stand for reelection since the last annual meeting because of a policy disagreement with the board, and if the director has provide a notice requesting disclosure of the nature of the disagreement, state the date of the director's resignation and summarize the director's description of the disagreement. If the institution holds a different view of the disagreement, the institution's view may be summarized.

(4) If any transactions between the institution and its senior officers and directors of the type required to be disclosed in the annual report to shareholders under § 620.5(j), or any of the