

2. Section 998.1(b) No Limitation on Safety and Soundness Authority and Access to Capital Market Responsibilities

This section would state that the proposed regulation would not limit or restrict the Finance Board's ability carry out its responsibilities under the Bank Act including its responsibility to act under its safety and soundness authority to regulate the Banks, including conducting examinations, requiring reports and disclosures, and enforcing compliance with applicable laws, rules and regulations. This section would not alter the Finance Board's responsibility to ensure the Bank System's continued access to the capital markets.

C. Section 998.2 Bank Periodic Disclosures

1. Section 998.2(a) Periodic Disclosures

This section would require each Bank to prepare and make public disclosures relating to its financial condition, results of operations, trends or uncertainties affecting its business, and its management's assessment of its business and financial condition that includes supporting financial information and certifications.

2. Section 998.2(b) Satisfaction of Bank Periodic Disclosure Requirement

This section would require each Bank to satisfy the disclosure requirements of proposed § 998.2(a) by subjecting itself to the 1934 Act's periodic disclosure regime and preparing an annual report, quarterly reports, current reports and such other materials as may be required under the SEC's rules and regulations, including SEC and SEC staff interpretations and rules governing audited financial statements.

3. Section 998.2(c) Voluntary Registration of a Class of the Securities of Each of the Banks with the SEC

This section would establish a mechanism for each Bank to subject itself to the SEC's 1934 Act period disclosure regime. That mechanism would be the voluntary registration of a class of the securities of each Bank with the SEC under Section 12(g) of the 1934 Act. Each Bank would have to agree to voluntarily register a class of its securities with the SEC under Section 12(g) of the 1934 Act within 120 days of the adoption of this proposed regulation as a final regulation.

4. Section 998.2(e) Submission of Disclosures to Finance Board

This section would require each Bank to provide to the Finance Board on a

concurrent basis copies of all disclosure documents filed with the SEC.

IV. Regulatory Flexibility Act

The proposed regulation, if adopted as a final regulation, will apply only to the Banks, which do not come within the meaning of "small entities," as defined in the Regulatory Flexibility Act (RFA).¹⁹ Therefore, in accordance with section 605(b) of the RFA,²⁰ the Finance Board hereby certifies that the proposed regulation, if promulgated as a final regulation, will not have a significant economic impact on a substantial number of small entities.

V. Paperwork Reduction Act

The proposed regulation does not contain any collections of information pursuant to the Paperwork Reduction Act of 1995.²¹ Consequently, the Finance Board has not submitted any information to the Office of Management and Budget for review.

List of Subjects in 12 CFR Parts 900 and 998

Federal home loan banks, Reporting and recordkeeping requirements, and Securities disclosure.

Accordingly, the Finance Board hereby proposes to amend title 12, chapter IX, of the *Code of Federal Regulations*, as follows:

PART 900—GENERAL DEFINITIONS APPLYING TO ALL FINANCE BOARD REGULATIONS

1. The authority citation for part 900 continues to read as follows:

Authority: 12 U.S.C. 1422b(a).

2. Amend § 900.3 by adding the following three definitions in alphabetical order:

§ 900.3 Terms relating to other entities and concepts used throughout 12 CFR chapter IX.

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GLB Act means the Gramm-Leach-Bliley Act (Pub. L. 106–102 (1999)).

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SEC means the U.S. Securities and Exchange Commission.

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1934 Act means the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*).

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3. Add Subchapter M (part 998) to title 12, chapter IX, to read as follows:

¹⁹ 5 U.S.C. 601(6).

²⁰ 5 U.S.C. 605(b).

²¹ 44 U.S.C. 3501 *et seq.*

Subchapter M—Bank System Securities Disclosure

PART 998—VOLUNTARY REGISTRATION OF A CLASS OF SECURITIES OF EACH BANK UNDER SECTION 12(g) OF THE 1934 ACT

Sec.

998.1 General.

998.2 Bank periodic disclosures.

Authority: 12 U.S.C. 1422b(a), 1422a(a)(3)(A), 1422a(a)(3)(B)(iii).

§ 998.1 General.

(a) *Purpose.* The purpose of this part is to require each Bank to prepare and publicly distribute certain financial and other disclosures. The required disclosures are those that would be provided by 1934 Act registrants subject to the 1934 Act's periodic disclosure regime, as interpreted and administered by the SEC.

(b) *No limitation on safety and soundness authority or access to capital markets responsibility.* This part does not limit or restrict the Finance Board's ability carry out its responsibilities under the Act including its responsibility to act under its safety and soundness authority to regulate the Banks, including conducting examinations, requiring reports and disclosures, and enforcing compliance with applicable laws, rules and regulations. This part shall not alter the Finance Board's responsibility to ensure the Bank System's continued access to the capital markets.

§ 998.2 Bank periodic disclosures.

(a) *Periodic disclosures.* Each Bank shall prepare and make public disclosures relating to its financial condition, results of operations, trends or uncertainties affecting its business, and its management's assessment of its business and financial condition that includes supporting financial information and certifications.

(b) *Satisfaction of Bank periodic disclosure requirement.* Each Bank shall satisfy the disclosure requirements of paragraph (a) of this section by subjecting itself to the 1934 Act's periodic disclosure regime and preparing an annual report, quarterly reports, current reports and such other materials as may be required under the SEC's rules and regulations, including SEC and SEC staff interpretations and rules governing audited financial statements.

(c) *Requirement to voluntarily register a class of securities.* Each Bank shall subject itself to the 1934 Act's periodic disclosure regime by agreeing to voluntarily register a class of its securities with the SEC under Section