

(b) All classes of common stock shall be vested with all voting rights, each share being entitled to one vote with rights of cumulative voting at all elections of directors, except that any class C stock held by a stockholder in excess of 1,000 shares shall be nonvoting.

(c) Class B stock, except stock issued in return for capital subscriptions required by subsection (e), may be subscribed for upon payment of one-fifth of the price, with the remainder payable in equal installments over the succeeding four years.

(d) All moneys received by the Bank in return for its common stock shall be accumulated in a capital surplus account. All net earnings from the operations of the Bank shall annually be transferred to its general surplus account. Such dividends as may be declared shall be paid by the Bank to the holders of its common stock and shall be charged against the general surplus account, but in any one fiscal year dividends shall not exceed 6 per centum of the par value of the common stock issued and outstanding and shall be payable out of the net earnings of the Bank for that year.

(e) Each seller of obligations to the Bank pursuant to section 7 shall be a member of the Bank and shall be required to make payments of nonrefundable capital subscriptions, equal to not more than 2 per centum nor less than 1 per centum of the principal amounts of obligations purchased or to be purchased by the Bank from such seller. In addition, the Bank may impose charges or fees for its services with the objective that all costs and expenses of its operations should be within its income derived from such operations.

OBLIGATIONS OF THE BANK

SEC. 9(a). The Bank is authorized, with the approval of the Secretary of the Treasury, to issue and have outstanding obligations having such maturities and bearing such rate or rates of interest as may be determined by the Bank. Such obligations may be redeemable at the option of the Bank before maturity in such manner as may be stipulated therein. The aggregate amount of obligations of the Bank outstanding at any one time shall not exceed \$2,000,000,000, which amount shall be increased by \$5,000,000,000 on July 1, 1970, and by \$5,000,000,000 on July 1 of each of the three succeeding years. The Bank shall insert appropriate language in all of its obligations issued under this subsection clearly indicating that such obligations, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the Bank. The Bank is authorized to purchase in the open market any of its outstanding obligations.

(b) In addition to the obligations of the Bank authorized to be outstanding in subsection (a) of this section, the Bank is authorized to issue obligations to the Secretary of the Treasury. The Secretary of the Treasury is authorized to purchase any such obligations in order to insure the financial integrity of the operations of the Bank, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act as now or hereafter in force, are extended to include such purchases. Each purchase of obligations by the Secretary of the Treasury under this subsection shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturities. The Secretary of the Treasury may sell, upon such terms and conditions and at such price or prices as he shall determine, any of the obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such obligations under this subsection shall be treated as public debt transactions of the United States.

FEDERAL PAYMENTS TO THE BANK

SEC. 10(a). With respect to such amounts of loans of the Bank as may be specified in Appropriation Acts, the Secretary of Housing and Urban Development is authorized to make, and to contract to make, annual payments to the Bank in such amounts as are necessary to equal the amount by which the dollar amount of interest paid by the Bank on account of its obligations exceeds the