Amendments to the Resource Conservation and Recovery Act, has been granted to BASF Corporation for three Class I injection wells located at Freeport, Texas. The company has adequately demonstrated to the satisfaction of the Environmental Protection Agency by the petition reissuance application and supporting documentation that, to a reasonable degree of certainty, there will be no migration of hazardous constituents from the injection zone for as long as the waste remains hazardous. This final decision allows the underground injection by BASF, of the specific restricted hazardous wastes identified in this exemption, into Class I hazardous waste injection wells WDW–51 and WDW–99 and WDW–408 until December 31, 2028, unless EPA moves to terminate this exemption. Additional conditions included in this final decision may be reviewed by contacting the Region 6 Ground Water/UIC Section. A public notice was issued December 27, 2012. The public comment period closed on February 15, 2013. No comments were received. This decision constitutes final Agency action and there is no Administrative appeal. This decision may be reviewed/appealed in compliance with the Administrative Procedure Act.

DATES: This action is effective as of February 21, 2013.

ADDRESSES: Copies of the petition for reissuance and all pertinent information relating thereto are on file at the following location: Environmental Protection Agency, Region 6, Water Quality Protection Division, Source Water Protection Branch (6WQ–S), 1445 Ross Avenue, Dallas, Texas 75202–2733.

FOR FURTHER INFORMATION CONTACT: Philip Dellinger, Chief Ground Water/UIC Section, EPA—Region 6, telephone (214) 665–8324.

Dated: April 9, 2013.

William K. Honker,

Division Director, Water Quality Protection Division.

[FR Doc. 2013–09158 Filed 4–17–13; 8:45 am]

BILLING CODE 6560–50–P

FARM CREDIT SYSTEM INSURANCE CORPORATION

Policy Statement Concerning Assistance

AGENCY: Farm Credit System Insurance Corporation.

ACTION: Policy statement.

SUMMARY: The Farm Credit System Insurance Corporation (Corporation or FCSIC) announces that it has given final approval to a new ''Policy Statement Concerning Assistance,'' which replaces the Corporation's existing ''Policy Statement Concerning Stand-Alone Assistance.'' The new policy statement provides additional transparency concerning the Corporation's authority to provide assistance and how the least-cost test might be performed. This policy statement also includes enhanced criteria of what is to be included in assistance proposals, and a new section discussing assistance agreements.

DATES: *Effective Date:* The policy statement is effective on April 11, 2013.

FOR FURTHER INFORMATION CONTACT: Wade Wynn, Senior Risk Analyst, and James M. Morris, General Counsel, Farm Credit System Insurance Corporation, 1501 Farm Credit Drive, McLean, Virginia 22102, (703) 883–4380, TDD (703) 883–4390.

SUPPLEMENTARY INFORMATION:

I. Background

The Corporation, in its sole discretion, is authorized under section 5.61(a) of the Farm Credit Act of 1971, as amended (Act),[1] to provide assistance to a stand-alone Farm Credit System (System) institution or to facilitate a merger or consolidation of a System institution with another System institution,[2] provided it meets the statutory least-cost test.[3] If the Corporation receives a request to assist a troubled System institution, it must compare the cost of liquidation to the cost of providing assistance to determine the least costly alternative to the Farm Credit Insurance Fund (Insurance Fund). In making this discretionary determination, the Corporation is authorized under section 5.59(b) of the Act[4] to gather any information necessary from the troubled System institution or any other System institution to perform the least-cost test. After gathering pertinent information, the Corporation must: (1) Evaluate alternatives on a present-value basis, using a reasonable discount rate, (2) document the evaluation and the assumptions on which the evaluation is based, and (3) retain the documentation for not less than 5 years.

The Corporation's ''Policy Statement Concerning Stand-Alone Assistance'' is, for the most part, a summary of the powers of the Corporation under section 5.61(a) of the Act to provide assistance to a troubled System institution, including the timing and steps for making the least-cost test.[5] For example, the policy specifies that the Corporation's Board of Directors must determine that providing assistance is the least costly means of all possible alternatives available to the Corporation, including liquidation of the troubled System institution, and lists the steps for conducting the statutory least-cost test. The existing policy statement also provides a list of criteria of what the Corporation expects to receive in assistance proposals to help the Corporation conduct the least-cost test.

II. Comments on the Draft Policy Statement

On June 21, 2012, the Corporation published for comment a draft ''Policy Statement Concerning Assistance to Troubled Farm Credit System Institutions'' to replace the Corporation's existing ''Policy Statement Concerning Stand-Alone Assistance.''[6] The Corporation received two comment letters on the draft policy statement. In brief, both commenters are concerned that the Corporation will not consider a request for assistance until after all other resolution alternatives are exhausted, including resolution alternatives available to the Farm Credit Administration (FCA). Both also commented on the least-cost test as it relates to the cost of liquidating a troubled System institution. Each of these areas is addressed below.

A. Resolution Alternatives

In the first sentence of the draft policy statement, the Corporation stated that, in general, it would consider a request for assistance after other resolution alternatives have been exhausted such as voluntary assistance provided from within the System, voluntary merger with one or more System institutions, or involuntary merger with one or

[1] 12 U.S.C. 2277a–10.

[2] Section 5.61(a) of the Act uses the terms ''insured System bank'' and ''bank'' but the Act also specifies under section 5.61(e), 12 U.S.C. 2277a–10(e), that such terms also include production credit associations and other associations making direct loans under the authority provided under section 7.6 of the Act, 12 U.S.C. 2279b. Consequently, the terms ''troubled System institution,'' ''troubled System bank,'' or ''troubled System association'' are used to refer to those institutions specified in sections 5.61(a) and 5.61(e) of the Act, 12 U.S.C. 2277a–10(a) and 2277a–10(e).

[3] The least-cost test is the means of determining the least-cost resolution. Section 5.61(a)(3)(A) states, ''Assistance may not be provided…unless the means of providing the assistance is the least costly means of providing the assistance by the Farm Credit Insurance Fund of all possible alternatives available to the Corporation, including liquidation of the bank (including paying the insured obligations issued on behalf of the bank).'' *See* Act, section 5.61(a)(3), 12 U.S.C. 2277a–10(a)(3).

[4] 12 U.S.C. 2277a–8(b).

[5] 12 U.S.C. 2277a–10.

[6] *See* 77 FR 37399 (June 21, 2012). On July 26, 2012, the Corporation extended the comment period 90 days in response to several commenter requests. *See* 77 FR 45606 (August 1, 2012).

more System institutions as determined by the FCA.[7] Both commenters agree that it is reasonable to expect System institutions to engage in self-help mechanisms before requesting assistance from the Corporation, particularly within a district that is experiencing financial stress. They also note that the FCA has authority to resolve troubled System institutions either through involuntary mergers or direct transfer of funds of capital among System institutions.[8] They express concern that the Corporation will not consider a request for assistance until after the FCA has exercised its authority to resolve troubled System institutions.[9]

In response to these comments, the Corporation is removing the language on ''other resolution alternatives'' that the commenters found troubling. To clarify, FCA action is not a necessary precondition for the Corporation to consider a request for assistance to a troubled System institution. The essential precondition for the Corporation to consider providing assistance is the receipt of a request for assistance and an assistance proposal. As explained in the final policy statement, a request for assistance can be initiated either directly from a troubled System institution or from other System institutions seeking to acquire or assist a troubled System institution. If the Corporation determines it is appropriate based on the facts and circumstances surrounding the request, the Corporation will provide System institutions the opportunity to submit information related to the request.

B. Least-Cost Test

In the draft policy statement, the Corporation stated that it would conduct a least-cost test to determine whether the cost of providing assistance to a troubled System institution is less costly to the Insurance Fund than a liquidation of the institution. In brief, the Corporation would review the assistance proposal and gather any additional information necessary to estimate the cost of liquidation. Once this estimate has been computed, the Corporation would determine the cost and type of assistance. The Corporation would then compare the cost of providing assistance to the cost of liquidation to make its least-cost determination.

The draft policy statement also describes the complexity of conducting a least-cost test. For example, the Corporation describes a scenario where a sizable association is failing. The liquidation of the large association might not have an immediate impact on the funding bank's ability to continue meeting its insured obligations, but the effect of the liquidation could create significant disruption through a district that could threaten the bank's ability to continue as a going concern. Without assistance from the Corporation, the bank might eventually fail, creating greater losses to the Insurance Fund.

The Corporation received two comments on the least-cost test discussion. Both commenters generally agree with the principles behind the least-cost determination, specifically the discussion of considering the full impact on the Insurance Fund over time. However, the commenters also reference a separate document titled a ''Least-Cost Test Example'' that the Corporation shared publicly as an example of how the least-cost test might be performed if the troubled System institution was an association. In general, the commenters believed the assumptions used in this example were too optimistic.[10]

In response to these comments, it appears the commenters misunderstood the purpose of the Least-Cost Test Example. The Corporation created this example as part of its fact-gathering process in the development phase of the draft policy statement; the example itself is not a part of the draft policy statement.[11] It also appears the commenters misunderstand the ''cost of liquidation'' as it relates to the Insurance Fund. For example, the commenters identify certain ''indirect costs'' that may result from placing a troubled System institution into receivership. While these indirect costs may adversely affect other System institutions or the System as a whole, it is unclear that these costs would create losses to the Insurance Fund. For the Corporation to approve assistance, there must be a reasonable basis to conclude that the assistance would prevent a more costly loss to the Insurance Fund as a result of indirect losses.

In view of the comments received, the Corporation is substantially revising the least-cost test discussion of the final ''Policy Statement Concerning Assistance'' to provide greater clarity concerning the ''cost of liquidation'' as it relates to the Insurance Fund. Since the Insurance Fund's primary purpose is to insure the timely payment of principal and interest on System bank insured debt obligations, it is clear that a loss to the Insurance Fund occurs when a System bank defaults on an insured debt obligation, and the Corporation must use the Insurance Fund to pay the obligation. In making the least-cost determination, the Corporation must be able to reasonably estimate whether the troubled System institution's failure will impair a bank's ability to pay its insured debt obligations, creating losses to the Insurance Fund. The final policy statement provides guidance for how the Corporation might reasonably estimate costs to either resolve a troubled System institution or stem financial contagion within the System.

After considering all comments received, the Corporation has given final approval to the ''Policy Statement Concerning Assistance,'' with changes. The existing ''Policy Statement Concerning Stand-Alone Assistance'' is withdrawn. The text of the final ''Policy

[7] The Act provides authority for Farm Credit banks to merge with other Farm Credit banks and Farm Credit associations to merge with other Farm Credit associations. See Act, Title VII.

[8] Under section 4.12(a) of the Act, 12 U.S.C. 2183(a), FCA has authority to require that a System association merge with another association if it has failed to meet its outstanding obligations or failed to conduct its operations in accordance with the Act. Under section 5.17(a) of the Act, 12 U.S.C. 2252(a), FCA has authority to require two or more System banks to merge if the FCA determines that one of the banks has failed to meet its outstanding obligations. The commenters also referred to 12 CFR 611.1130 which states, ''Section 5.17(a)(6) of the Act authorizes the FCA to regulate the borrowing, repayment, and transfer of funds and equities between institutions of the System, including banks, associations, and service organizations organized under the Act.''

[9] For example, the commenters state that the draft policy statement ''appears to establish a vague expectation for the exhaustion of resolution alternatives in a manner that essentially forces other System institutions to provide involuntary assistance through FCA regulatory action,'' which may result in ''a de-facto joint and several financial call'' from other System institutions.

[10] For example, the commenters believed that some of the recovery levels employed in the example were too high and that the example did not entirely reflect all the costs associated with a receivership.

[11] The commenters recognized this distinction but appeared to want the Corporation to consider more least-cost test examples. The Corporation agrees with the commenters that the example was not complicated and may not have exhaustively considered all possibilities and costs associated with liquidating a troubled System association. The Corporation could have created a more complex example but this was not necessary to advance the discussion and gather general information to update its policy statement. In reality, the value of assets and costs associated with a receivership could widely fluctuate based on numerous factors at the time of liquidation such as the condition of the agricultural sector and general economy, the condition of the System institution being liquidated, the condition and extent to which other System institutions could provide their own assistance to the troubled System association, the unique characteristics of the asset portfolio, the potential pool of bidders at the time of liquidation, and so forth.

Statement Concerning Assistance'' is set out below in its entirety:

Farm Credit System Insurance Corporation

Policy Statement Concerning Assistance

Background

The Farm Credit System Insurance Corporation (Corporation), in its sole discretion, is authorized under section 5.61(a) of the Farm Credit Act of 1971, as amended (Act), 12 U.S.C. 2277a–10(a), to provide, on such terms and conditions as the Corporation's Board of Directors may prescribe: (1) Stand-alone assistance in the form of loans, asset or debt security purchases, assumption of liabilities, or contributions: (a) To prevent the placing of the institution [12] into receivership, (b) to restore the institution to normal operation, or (c) to reduce the risk to the Corporation posed by the institution when severe financial conditions threaten the stability of a significant number of other System institutions or System institutions possessing significant financial resources; or (2) Assistance to facilitate a merger or consolidation of a ''qualifying'' [13] troubled System institution with another System institution through loans, loan guarantees, asset or debt security purchases, assumption of liabilities, contributions, or any combination thereof.[14]

If the Corporation receives a request for assistance, it must compare the cost of liquidation to the cost of providing assistance to determine the least costly alternative to the Insurance Fund.[15] In making this discretionary determination, the Corporation is authorized to gather any information necessary to perform the least-cost test.[16] After gathering all pertinent information, the Corporation must: (1) Evaluate alternatives on a present-value basis, using a reasonable discount rate, (2) document the evaluation and the assumptions on which the evaluation is based, and (3) retain the documentation for not less than 5 years.[17]

Policy Statement

The Corporation will consider a request for assistance to a troubled System institution under section 5.61(a) of the Act, 12 U.S.C. 2277a–10(a), upon receipt of an assistance proposal. An assistance proposal can be submitted either directly from a troubled System institution, from other System institutions seeking to acquire or assist a troubled System institution, or from the System banks to stem a liquidity crisis. Upon receipt of an assistance proposal, if the Corporation determines it is appropriate based on the facts and circumstances surrounding the request, the Corporation will provide System institutions the opportunity to submit any information, including information on the cost to the Farm Credit Insurance Fund (Insurance Fund) of a liquidation.[18] The Corporation will then conduct a least-cost test to determine whether the cost of providing assistance is less costly to the Insurance Fund than the cost of liquidating a System institution. If the cost of providing assistance is less than the cost of liquidation to the Insurance Fund, and the Corporation, in its sole discretion, approves assistance, the Corporation will enter into an agreement with the System institution receiving assistance.

Assistance Proposals

A System institution requesting assistance must submit a proposal to the Corporation. If the proposal is for stand-alone assistance, the proposal must provide justification for the assistance, including a detailed analysis of how such assistance will return the troubled System institution to a financially viable, self-sustaining operation. If the proposed assistance is to facilitate a merger, the proposal must demonstrate that the continuing System institution can safely and soundly absorb the financial and operational impact that will result from the merger. Moreover, the Corporation would consider FCA's preliminary approval of the proposed merger, pending the least-cost determination to provide assistance. If a System institution or group of System institutions submits an assistance proposal to resolve a troubled System institution or stem a liquidity crisis or financial contagion within the System, the proposal must contain sufficient information to demonstrate how the Corporation's assistance would be less costly to the Insurance Fund than liquidating the troubled System institution(s).

Assistance proposals must contain information to help the Corporation compare the cost of providing assistance to the cost of liquidating the troubled System institution as part of its least-cost determination. Assistance proposals can include requests for loans, loan guarantees, loss-sharing arrangements, asset or debt security purchases, assumption of liabilities, or cash contributions. The Corporation will consider the nature of the financial assistance requested on a case-by-case basis and may alter the form or amount of assistance as part of its determination. The Corporation has identified the following minimum criteria to be included in a request for assistance and assistance proposals:

(1) Financial condition and performance criteria to better understand the problem that caused the need for assistance, including the rationale for seeking assistance;

(2) The type and amount of assistance needed, as well as a reasonable repayment plan. Assistance proposals must include fee arrangements with attorneys, accountants, consultants, and other parties incident to the request for assistance (or projected costs for these arrangements). The Corporation would not acquire or service assets without a strong justification;

(3) Reasonable projections to assess the future viability of the institution after assistance has been provided. This

[12] Section 5.61(a) of the Act uses the terms ''insured System bank'' and ''bank'' but the Act also specifies under section 5.61(e), 12 U.S.C. 2277a–10(e), that such terms also include production credit associations and other associations making direct loans under the authority provided under section 7.6 of the Act, 12 U.S.C. 2279b. Consequently, the terms ''troubled System institution,'' ''troubled System bank,'' or ''troubled System association'' are used to refer to those institutions specified in sections 5.61(a) and 5.61(e) of the Act, 12 U.S.C. 2277a–10(a) and 2277a–10(e).

[13] ''Qualifying'' means the troubled System institution is: (1) In receivership, (2) in danger of being placed in receivership, or (3) an institution that, when severe financial conditions exist that threaten the stability of a significant number of System institutions or of System institutions possessing significant financial resources, requires assistance to lessen the risk to the Corporation posed by such System institution under such threat of instability. *See* Act, section 5.61(a)(2)(B), 12 U.S.C. 2277a–10(a)(2)(B).

[14] The Corporation is not authorized to purchase voting stock from the troubled System institution. *See* Act, section 5.61(a)(3)(F), 12 U.S.C. 2277a–10(a)(3)(F).

[15] The cost of liquidation shall be made as of the earliest of: (I) The date on which a conservator is appointed for the institution, (II) the date on which a receiver is appointed for the institution, or (III) the date on which the Corporation makes any determination to provide assistance to the institution. *See* Act, section 5.61(a)(3)(C), 12 U.S.C. 2277a–10(a)(3)(C).

[16] *See* Act, sections 5.58(8) and 5.59, 12 U.S.C. 2277a–7(8) and 2277a–8. The Corporation will accord such other System institutions as the Corporation determines to be appropriate the opportunity to submit information relating to the determination. *See* Act, section 5.61(a)(3)(A), 12 U.S.C. 2277a–10(a)(3)(A).

[17] *See* Act, section 5.61(a)(3)(B), 12 U.S.C. 2277a–10(a)(3)(B). In addition, in regards to requests for stand-alone assistance, the Corporation must evaluate the adequacy of managerial resources of the troubled System institution. The Corporation is authorized to determine the continued service of any director or senior ranking officer who serves in a policymaking role for the assisted System institution as a condition of approving assistance. *See* Act, section 5.61(a)(3)(D), 12 U.S.C. 2277a–10(a)(3)(D).

[18] The Corporation will determine which System institutions will provide this information.

would include earnings projections and a capital restoration plan to achieve adequate capitalization. Earnings projections and the capital restoration plan must include the impact of repayment of assistance;

(4) A business plan that would implement written policies and procedures designed to guide operations safely and soundly and to correct the problems that caused the need for assistance. The plan must include an internal control system to monitor ongoing performance with measurable criteria. The plan must also include an operating budget, including compensation arrangements covering directors and senior officers. Plans to continue the service and compensation of directors and senior officers must be pre-approved by the Corporation before it provides assistance and until assistance is repaid; and

(5) Analysis of the effect of assistance on shareholders, uninsured creditors (e.g., impairment on subordinated debt), other System institutions and the financial markets. If the troubled System institution is an association, the analysis must include the impact on its funding bank's ability to continue meeting its insured obligations.

The Corporation reserves the right to request additional information as needed to conduct the least-cost test.

The Least-Cost Test

The Corporation will conduct a least-cost test to determine whether providing assistance to a troubled System institution is less costly to the Insurance Fund than liquidating the institution. The first step of the least-cost test is to determine the estimated liquidation value of the troubled System institution.[19] In making this determination, the Corporation shall use its examination authority under section 5.59(b) of the Act, 12 U.S.C. 2277a–8(b), to collect information from the troubled System institution to calculate the estimated liquidation value of the troubled System institution.[20] This information shall, at a minimum, include specific data elements as determined by Corporation staff to conduct a present-value analysis of the troubled System institution's assets, using a reasonable discount rate. As required by the Act, the troubled System institution must provide the Corporation all information necessary to perform a least-cost determination.

The second step of the least-cost test is for the Corporation to reasonably estimate whether the liquidation of the troubled System institution(s) creates a loss to the Insurance Fund. Since the Insurance Fund has been primarily established to insure the timely payment of principal and interest on System bank insured debt obligations,[21] a loss to the Insurance Fund occurs when a System bank defaults on an insured obligation, and the Corporation must use the Insurance Fund to pay the obligation.[22] Accordingly, to meet the least-cost test, the Corporation must be able to reasonably estimate whether the troubled System institution's failure will impair a bank's ability to pay its insured debt obligations.

A loss to the Insurance Fund may result from direct and/or indirect losses. Direct losses include the estimated losses to the Insurance Fund from the liquidation of a troubled System institution. Indirect losses to the Insurance Fund include the consequent effects of liquidating a troubled System institution. For example, if the troubled System institution is a bank, there is a direct loss to the Insurance Fund if the Corporation reasonably estimates that the net present value of the bank's assets[23] is less than its insured debt obligations.[24] If the Corporation can reasonably estimate that the liquidation of a troubled System bank subsequently causes one or more of the remaining System banks to default on insured debt obligations, there is an indirect loss to the Insurance Fund. Direct losses to the Insurance Fund can be reasonably estimated by the Corporation, but indirect losses to the Insurance Fund may be difficult for the Corporation to reasonably estimate. Consequently, it will be incumbent upon the remaining System banks to provide the Corporation with sufficient information and analysis to demonstrate that indirect losses to the Insurance Fund will result from the bank liquidation. For example, when a severe financial crisis exists, a System bank liquidation might cause the remaining System banks to be shut out of the debt market.[25] In a less extreme scenario, a System bank liquidation might substantially increase the cost of funds to the remaining System banks. In either scenario, for indirect costs to be considered, the Corporation must have sufficient information so that it can reasonably estimate the indirect loss associated with the bank liquidation. If indirect losses can be reasonably estimated, the Corporation may consider such losses in its least-cost test and assistance determination.

If the troubled System institution is an association, the Corporation must be able to reasonably estimate that the troubled System association's failure causes a loss to the Insurance Fund for there to be a basis for providing assistance. The funding bank would need to provide the Corporation with information to support the association request for assistance. If the Corporation reasonably estimates that the net present value of the association's assets[26] is less than the amount of its direct note with its funding bank, there would be a loss to the bank. If the Corporation reasonably estimates that the funding bank can sufficiently absorb this loss, there would be no loss to the Insurance Fund and, consequently, no basis for the Corporation to provide assistance to the troubled System association. However, if the Corporation reasonably estimates that the loss on the direct note is significant enough that the funding bank may default on its insured debt obligations, the Corporation may provide assistance to the troubled System association.

Moreover, if a sizable System association fails, or several smaller System associations fail, it is also possible that indirect losses to the Insurance Fund may result from association liquidations. For example, the liquidation of a considerable amount of agricultural loans in a relatively short period of time may cause a general decline in loan and collateral values throughout the district, creating higher

[19] This value is computed by subtracting the present-value of the institution's liabilities from its assets. Liabilities include estimated resolution expenses.

[20] The Corporation will request that FCA examiners collect the information.

[21] *See* section 5.60(c)(1) of the Act, 12 U.S.C. 2277a–9(c)(1), which states, in part, ''The Corporation shall expend amounts in the Insurance Fund to the extent necessary to insure the timely payment of interest and principal on insured obligations.''

[22] This assumes that no other System institution is willing to voluntarily assist the defaulting bank to avoid a payout from the Insurance Fund.

[23] The net present value of bank assets is the estimated present value of bank assets at liquidation less estimated payments to creditors with a higher priority of claims than insured debt obligations and estimated resolution expenses.

[24] Conversely, there is no direct loss to the Insurance Fund if the Corporation reasonably estimates that the net present value of the bank's assets at liquidation is greater than its insured debt obligations.

[25] In a liquidity crisis situation, the Corporation would work with the System banks to ensure the Insurance Fund was used to protect investors in insured debt obligations.

[26] The net present value of association assets is the estimated present value of association assets at liquidation less estimated payments to creditors with higher priority of claims than the funding bank and estimated resolution expenses. In most cases, receivership expenses will be paid out of the receivership estate, so there would be no administrative cost to the Insurance Fund from the liquidation of the association.

levels of risk in the remaining association direct notes. Moreover, because the bank loses a significant source of revenue and capital, it might not be able to increase the cost of funds to the remaining associations to make up for lost revenue while simultaneously increasing their investment requirement to remain adequately capitalized. Without providing assistance to the sizable troubled association to prevent financial contagion, other associations could fail or the bank itself could fail, potentially creating losses to the Insurance Fund. A similar scenario could result with the failure of several smaller associations during a period of severe stress in agriculture. A temporary cash infusion to the bank could counteract the effects of financial contagion, stabilize the district, and help avoid a bank failure. The Corporation would consider structuring assistance so that it would recoup the cost associated with providing assistance. Therefore, if indirect losses can be reasonably estimated, the Corporation may consider such losses in its least-cost test and assistance determination.

The third step of the least-cost test is to determine the type and amount of assistance. The cost of providing assistance will depend upon the structure of the assistance. For example, the Corporation's purchase of distressed assets from a troubled System institution may cost the Insurance Fund more than providing the institution a loan with a repayment plan.[27] Moreover, if other System institutions are willing to contribute some of their funds to the troubled System institution to reduce the cost of providing assistance, the Corporation will factor this amount into its least-cost test and assistance determination.

The final step in the least-cost test is to compare the cost of liquidation to the cost of providing assistance. If the cost of providing assistance from the Insurance Fund is less than the cost of liquidating a troubled System institution (to the Insurance Fund), the Corporation's Board of Directors, in its discretion, may approve assistance to the troubled System institution. As required by statute, the Corporation shall use the information it receives during its least-cost determination to evaluate the alternatives, document the evaluation and the assumptions on which the evaluation is based, and retain the documentation for not less than 5 years.

Assistance Agreements

If the Corporation provides assistance, it will enter into an agreement with the System institution receiving assistance. The terms and conditions of the agreement will be determined on a case-by-case basis and may include limits on (or prior approval of) the types or amounts of activities the institution can engage in while assistance is outstanding. For example, assistance agreements might include repayment terms and limits on concentration risk, patronage and dividend payments, executive compensation, and certain types of expenses. Assistance agreements may also provide the Corporation the right to have a representative attend the institution's board meetings. Each assistance agreement will be subject to the Corporation's Board of Directors' approval. While assistance agreements are outstanding, the Corporation will use its examination authority to ensure compliance with the agreement. Moreover, the Corporation will require the System institution receiving assistance to certify and publicly disclose compliance with the agreement requirements, including the disclosure of any instances of material noncompliance with the agreement.

Dated: April 12, 2013.

Mary Alice Donner,

Acting Secretary to the Board, Farm Credit System Insurance Corporation.

[FR Doc. 2013–09165 Filed 4–17–13; 8:45 am]

BILLING CODE 6710–01–P

[27] In the event the Corporation exercises its discretion to provide assistance, in most cases assistance would be provided to the funding bank, regardless of whether the troubled System institution is a bank or an association. For example, the Corporation may provide the funding bank a collateralized loan, purchase subordinated debt from the funding bank, or enter into a loss-sharing agreement with the funding bank to either restore the funding bank or its affiliated association (or both) to normal operations. If the assistance can be structured with a repayment feature, it is likely to be the least costly means of providing assistance of all possible alternatives available to the Corporation.

FEDERAL ELECTION COMMISSION

Sunshine Act Meeting

AGENCY: Federal Election Commission.

DATE & TIME: Tuesday, April 23, 2013 at 10:00 a.m.

PLACE: 999 E Street NW., Washington, DC.

STATUS: This meeting will be closed to the public.

ITEMS TO BE DISCUSSED:

Compliance matters pursuant to 2 U.S.C. 437g

Audits conducted pursuant to 2 U.S.C. 437g, 438(b), and Title 26, U.S.C.

Matters concerning participation in civil actions or proceedings or arbitration

Internal personnel rules and procedures or matters affecting a particular employee

* * * * *

PERSON TO CONTACT FOR INFORMATION: Judith Ingram, Press Officer. Telephone: (202) 694–1220.

Shelley E. Garr,

Deputy Secretary of the Commission.

[FR Doc. 2013–09245 Filed 4–16–13; 4:15 pm]

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FEDERAL MARITIME COMMISSION

Notice of Agreements Filed

The Commission hereby gives notice of the filing of the following agreements under the Shipping Act of 1984. Interested parties may submit comments on the agreements to the Secretary, Federal Maritime Commission, Washington, DC 20573, within ten days of the date this notice appears in the **Federal Register**. Copies of the agreements are available through the Commission's Web site (*www.fmc.gov*) or by contacting the Office of Agreements at (202)–523–5793 or *tradeanalysis@fmc.gov.*

Agreement No.: 010979–054.

Title: Caribbean Shipowners Association.

Parties: CMA CGM, S.A.; Seaboard Marine, Ltd.; Seafreight Line, Ltd.; Tropical Shipping and Construction Company Limited; and Zim Integrated Shipping Services, Ltd.

Filing Party: Wayne R. Rohde, Esq.; Cozen O'Connor, 1627 I Street NW., Washington, DC 20006.

Synopsis: The amendment would add King Ocean Services Limited as a party to the agreement.

Agreement No.: 012204.

Title: ELJSA/Hanjin Shipping Slot Exchange Agreement.

Parties: Evergreen Line Joint Service Agreement and Hanjin Shipping.

Filing Party: Paul M. Keane, Esq.; Cichanowicz, Callan, Keane, Vengrow & Textor, LLP; 61 Broadway, Suite 3000, New York, NY 10006–2802

Synopsis: The agreement authorizes the parties to exchange space on each other's services in the trade between China, Taiwan, and Vietnam, on the one hand, and the U.S. West Coast, on the other hand.

Agreement No.: 012205.

Title: ELJSA/COSCON Slot Exchange Agreement.

Parties: Evergreen Line Joint Service Agreement and Cosco Container Lines Company Limited.