

HOUSE No. 888

The Commonwealth of Massachusetts

PRESENTED BY:

Michael A. Costello

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to secured lending by the Federal Home Loan Bank.

PETITION OF:

NAME:

Michael A. Costello

DISTRICT/ADDRESS:

1st Essex

HOUSE No. 888

By Mr. Costello of Newburyport, a petition (accompanied by bill, House, No. 888) of Michael A. Costello relative to secured lending by the Federal Home Loan Bank. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to secured lending by the Federal Home Loan Bank.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 180A of Chapter 175 General Laws, as appearing in the 2010
2 Official Edition, is hereby amended by striking the first sentence and inserting in place thereof
3 the following:-

4 "The following words as used in sections 180A to 180L3/4, inclusive, unless the context
5 otherwise requires or a different meaning is specifically prescribed, shall have the following
6 meanings:"

7 SECTION 2. Chapter 175 of the General Laws, as appearing in the 2010 Official Edition,
8 is hereby amendend by inserting after section 180 L1/2, the following new section:-

9 Section 180L3/4. (a) Notwithstanding any other provision of sections 180A to
10 180L1/2, inclusive, no person shall be stayed, enjoined or prohibited from exercising or
11 enforcing any right or cause of action under any pledge, security, credit, collateral, loan,
12 advances, reimbursement or guarantee agreement or arrangement or any similar agreement,
13 arrangement or other credit enhancement to which a Federal Home Loan Bank, as defined under
14 12 U.S.C. 1422, is a party.

15 (b) Notwithstanding any other provision of sections 180A to
16 180L1/2, inclusive, no receiver, rehabilitator, liquidator, or any other person shall avoid any
17 transfer of, or any obligation to transfer, money or any other property arising under or in
18 connection with any pledge, security, credit, collateral, loan, advances, reimbursement or
19 guarantee agreement or arrangement or any similar agreement, arrangement or other credit
20 enhancement to which a Federal Home Loan Bank, as defined under 12 U.S.C. 1422, is a party,
21 that is made, incurred or assumed before or after the commencement of a delinquency

22 proceeding under this chapter; provided, however, that a transfer may be avoided under chapter
23 109A if the transfer was made with actual intent to hinder, delay or defraud the insurer, a
24 receiver appointed for the insurer, or existing or future creditors.