

**Editorial Notes**

## REFERENCES IN TEXT

Title I of the Federal Farm Loan Act, referred to in text, is title I of act July 17, 1916, ch. 245, 39 Stat. 360. Title I was classified to chapter 7 (§641 et seq.) of this title, and was repealed by Pub. L. 92-181, title V, §5.26(a), Dec. 10, 1971, 85 Stat. 624.

## CODIFICATION

Section is comprised of third par. of section 13A, formerly section 13a, as added Mar. 4, 1923. Pars. 1, 2, 4 and 5 of section 13A are set out as sections 348, 349, 351 and 352 of this title, respectively.

**Statutory Notes and Related Subsidiaries**

## NATIONAL AGRICULTURAL CREDIT CORPORATION

Title II of the Agricultural Credits Act, act Mar. 4, 1923, title II, §§201-217, 42 Stat. 1461, authorized creation of national agricultural credit corporations, prior to repeal by Pub. L. 86-230, Sept. 18, 1959, §24, 73 Stat. 466. Prior to such repeal, act June 16, 1933, §77, 48 Stat. 292, had prohibited the creation, after June 16, 1933, of national agricultural credit corporations authorized to be formed under the Agricultural Credits Act.

**§ 351. Obligations of cooperative marketing association as issued or drawn for agricultural purposes**

Notes, drafts, bills of exchange, or acceptances issued or drawn by cooperative marketing associations composed of producers of agricultural products shall be deemed to have been issued or drawn for an agricultural purpose, within the meaning of sections 348 and 349 to 352 of this title, if the proceeds thereof have been or are to be advanced by such association to any members thereof for an agricultural purpose, or have been or are to be used by such association in making payments to any members thereof on account of agricultural products delivered by such members to the association, or if such proceeds have been or are to be used by such association to meet expenditures incurred or to be incurred by the association in connection with the grading, processing, packing, preparation for market, or marketing of any agricultural product handled by such association for any of its members: *Provided*, That the express enumeration in this section of certain classes of paper of cooperative marketing associations as eligible for rediscount shall not be construed as rendering ineligible any other class of paper of such associations which is now eligible for rediscount.

(Dec. 23, 1913, ch. 6, §13A (par.), formerly §13a, as added Mar. 4, 1923, ch. 252, title IV, §404, 42 Stat. 1480; renumbered §13A, Pub. L. 102-242, title I, §142(e)(1), Dec. 19, 1991, 105 Stat. 2281.)

**Editorial Notes**

## CODIFICATION

Section is comprised of fourth par. of section 13A, formerly section 13a, as added Mar. 4, 1923. Pars. 1 to 3 and 5 of section 13A are set out as sections 348, 349, 350 and 352 of this title, respectively.

**§ 352. Limitation on amount of obligations of certain maturities which may be discounted and rediscounted**

The Board of Governors of the Federal Reserve System may, by regulation, limit to a percent-

age of the assets of a Federal reserve bank the amount of notes, drafts, acceptances, or bills having a maturity in excess of three months, but not exceeding six months, exclusive of days of grace, which may be discounted by such bank, and the amount of notes, drafts, bills, or acceptances having a maturity in excess of six months, but not exceeding nine months, which may be rediscounted by such bank.

(Dec. 23, 1913, ch. 6, §13A (par.), formerly §13a, as added Mar. 4, 1923, ch. 252, title IV, §404, 42 Stat. 1480; amended Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704; renumbered §13A, Pub. L. 102-242, title I, §142(e)(1), Dec. 19, 1991, 105 Stat. 2281.)

**Editorial Notes**

## CODIFICATION

Section is comprised of fifth par. of section 13A, formerly section 13a, as added Mar. 4, 1923. Pars. 1 to 4 of section 13A are set out as sections 348, 349 to 351 of this title, respectively.

**Statutory Notes and Related Subsidiaries**

## CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

**§ 352a. Repealed. Pub. L. 85-699, title VI, §601, Aug. 21, 1958, 72 Stat. 697**

Section, act Dec. 23, 1913, ch. 6, §13b, as added June 19, 1934, ch. 653, §1, 48 Stat. 1105; amended Aug. 23, 1935, ch. 614, title III, §323, 49 Stat. 714, authorized Federal Reserve Banks to make loans to industrial and commercial businesses and to discount or purchase industrial obligations from financial institutions, and created an industrial advisory committee.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF REPEAL

Pub. L. 85-699, title VI, §601, Aug. 21, 1958, 72 Stat. 697, provided that the repeal of this section is effective one year after Aug. 21, 1958.

## SAVINGS PROVISION

Pub. L. 85-699, title VI, §601, Aug. 21, 1958, 72 Stat. 697, provided that the repeal of this section shall not affect the power of any Federal Reserve bank to carry out, or protect its interest under, any agreement theretofore made or transaction entered into in carrying on operations under this section.

## FUND FOR MANAGEMENT COUNSELING

Pub. L. 85-699, title VI, §602(a), (b), Aug. 21, 1958, 72 Stat. 698, required Federal Reserve banks to repay to the United States certain amounts paid to them under 12 U.S.C. 352a, such amounts to be covered into a special fund for grants under section 636 of Title 15, Commerce and Trade. See text of note set out under that section.

**§ 353. Purchase and sale of cable transfers, acceptances and bills**

Any Federal reserve bank may, under rules and regulations prescribed by the Board of Governors of the Federal Reserve System, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable trans-

fers and bankers' acceptances and bills of exchange of the kinds and maturities by this chapter made eligible for rediscount, with or without the indorsement of a member bank.

(Dec. 23, 1913, ch. 6, §14 (par.), 38 Stat. 264; Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704.)

#### Editorial Notes

##### REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning act Dec. 23, 1913, ch. 6, 38 Stat. 251, known as the Federal Reserve Act. For complete classification of this Act to the Code, see References in Text note set out under section 226 of this title and Tables.

##### CODIFICATION

Section is comprised of introductory provisions of section 14 of act Dec. 23, 1913. Subsecs. (a) to (g) of section 14 are set out as sections 354 to 359 and 348a of this title, respectively.

#### Statutory Notes and Related Subsidiaries

##### CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

### § 354. Transactions involving gold coin, bullion, and certificates

Every Federal reserve bank shall have power to deal in gold coin and bullion at home or abroad, to make loans thereon, exchange Federal reserve notes for gold, gold coin, or gold certificates, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds or other securities which Federal reserve banks are authorized to hold.

(Dec. 23, 1913, ch. 6, §14(a), 38 Stat. 264.)

#### Editorial Notes

##### CODIFICATION

Section is comprised of subsec. (a) of section 14 of act Dec. 23, 1913. For classification to this title of remainder of section 14, see Codification note set out under section 353 of this title.

### § 355. Purchase and sale of obligations of National, State, and municipal governments; open market operations; purchases and sales from or to United States; maximum aggregate amount of obligations acquired directly from or loaned directly to United States

Every Federal Reserve bank shall have power:

(1) To buy and sell, at home or abroad, bonds and notes of the United States, bonds issued under the provisions of subsection (c) of section 1463<sup>1</sup> of this title and having maturities from date of purchase of not exceeding six months, and bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in

the continental United States, including irrigation, drainage and reclamation districts, and obligations of, or fully guaranteed as to principal and interest by, a foreign government or agency thereof, such purchases to be made in accordance with rules and regulations prescribed by the Board of Governors of the Federal Reserve System. Notwithstanding any other provision of this chapter, any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities but only in the open market.

(2) To buy and sell in the open market, under the direction and regulations of the Federal Open Market Committee, any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States.

(Dec. 23, 1913, ch. 6, §14(b), 38 Stat. 264; Jan. 31, 1934, ch. 7, §16(b), 48 Stat. 348; Apr. 27, 1934, ch. 168, §7(b), 48 Stat. 646; Aug. 23, 1935, ch. 614, title II, §§203(a), 206(a), 49 Stat. 704, 706; Mar. 27, 1942, ch. 199, title IV, §401, 56 Stat. 180; Apr. 28, 1947, ch. 44, 61 Stat. 56; June 30, 1950, ch. 425, 64 Stat. 307; June 23, 1952, ch. 454, 66 Stat. 154; June 29, 1954, ch. 422, 68 Stat. 329; June 25, 1956, ch. 447, 70 Stat. 339; Pub. L. 85-476, June 30, 1958, 72 Stat. 261; Pub. L. 86-567, July 1, 1960, 74 Stat. 295; Pub. L. 87-353, §3(d), Oct. 4, 1961, 75 Stat. 773; Pub. L. 87-506, June 28, 1962, 76 Stat. 112; Pub. L. 88-344, June 30, 1964, 78 Stat. 235; Pub. L. 89-484, June 30, 1966, 80 Stat. 235; Pub. L. 89-597, §6, Sept. 21, 1966, 80 Stat. 825; Pub. L. 90-300, May 4, 1968, 82 Stat. 113; Pub. L. 91-360, July 31, 1970, 84 Stat. 668; Pub. L. 92-45, July 2, 1971, 85 Stat. 100; Pub. L. 93-93, Aug. 14, 1973, 87 Stat. 314; Pub. L. 93-495, title I, §109, Oct. 28, 1974, 88 Stat. 1505; Pub. L. 94-125, Nov. 12, 1975, 89 Stat. 678; Pub. L. 95-22, title II, §201, Apr. 19, 1977, 91 Stat. 49; Pub. L. 95-128, title II, §209, Oct. 12, 1977, 91 Stat. 1131; Pub. L. 95-154, Nov. 7, 1977, 91 Stat. 1256; Pub. L. 95-534, Oct. 27, 1978, 92 Stat. 2032; Pub. L. 96-18, §1, 3, June 8, 1979, 93 Stat. 35, 36; Pub. L. 96-221, title I, §105(b)(2), Mar. 31, 1980, 94 Stat. 140.)

#### Editorial Notes

##### REFERENCES IN TEXT

Section 1463 of this title, referred to in par. (1), was repealed by Pub. L. 89-554, §8(a), Sept. 6, 1966, 80 Stat. 648.

This chapter, referred to in par. (1), was in the original "this Act", meaning act Dec. 23, 1913, ch. 6, 38 Stat. 251, known as the Federal Reserve Act. For complete classification of this Act to the Code, see References in Text note set out under section 226 of this title and Tables.

##### CODIFICATION

Section is comprised of subsec. (b) of section 14 of act Dec. 23, 1913. For classification to this title of remainder of section 14, see Codification note set out under section 353 of this title.

##### AMENDMENTS

1980—Par. (1). Pub. L. 96-221 inserted provisions relating to obligations of a foreign government or agency thereof.

1979—Par. (1). Pub. L. 96-18, §1(a), struck out proviso under which Federal Reserve banks had been allowed, until May 1, 1979, to buy and sell either in the open

<sup>1</sup> See References in Text note below.