

RESTRICTIONS IMPOSED BY LAW UPON POLITICAL AND FINANCIAL
CONNECTIONS OF APPOINTIVE MEMBERS OF THE FEDERAL RESERVE
BOARD.

The following restrictions are imposed by law upon appointive members of the Federal Reserve Board:

1. Appointive members shall devote their entire time to the business of the Federal Reserve Board. (F.R. Act, Section 10)
2. They shall be ineligible during the time that they are in office to hold any office, position, or employment in any member bank. (Section 10)
3. They shall be ineligible for two years after the time they are in office to hold any office, position, or employment in any member bank, except that this restriction shall not apply to a member who has served the full term for which he was appointed. (Section 10)
4. No member of the Federal Reserve Board shall be an officer or director of any bank, banking institution, trust company, or federal Reserve bank, and before entering upon his duties as a member of the Federal Reserve Board, he shall certify, under oath, that he has complied with this requirement and such certification shall be filed with the Secretary of the Board. (Section 10)
5. No member of the Federal Reserve Board shall hold stock in any bank, banking institution, or trust company, and before entering upon his duties, he shall certify under oath that he has complied with this requirement, and such certification shall be filed with the secretary of the Board. (Section 10)

6. No Senator or Representative in Congress shall be a member of the Federal Reserve Board. (Section 4)
7. No member of the Federal Reserve Board shall be an officer or director of any international or foreign banking or financial corporation organized under the provisions of section 25(a) of the Federal Reserve Act, or of any corporation engaged in a similar business organized under the laws of any State, nor hold stock in any such corporation, and before entering upon his duties as member of the Federal Reserve Board, he shall certify, under oath, to the Secretary of the Treasury, that he has complied with this requirement. (Section 25(a))

(Section 25(a) of the Federal Reserve Act provides for "corporations to be organized for the purpose of engaging in international or foreign banking or other international or foreign financial operations, or in banking or other financial operations in a dependency or insular possession of the United States, either directly or through the agency, ownership, or control of local institutions in foreign countries, or in such dependencies or insular possessions as provided by this section".)