

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 6014 ]  
August 9, 1967 ]

FEDERAL FARM LOAN BONDS  
—Redemption of August 21 Maturity  
—Offering of New Bonds

*To All Banks and Trust Companies, and Others Concerned,  
in the Second Federal Reserve District:*

At the request of the twelve Federal Land Banks, transmitted to us by the Treasury Department, we bring to your attention the following notice:

An issue of \$179 million consolidated Federal farm loan 4¾ percent bonds dated December 20, 1965, will mature August 21, 1967. These bonds may be redeemed through the Federal Reserve Banks and Branches or the Treasurer of the United States, Washington, D. C. 20220.

Funds for the redemption of the maturing bonds and for other requirements will be provided by the Federal Land Banks through a public offering of consolidated Federal farm loan bonds for delivery August 21, 1967. The new bonds will be offered for cash, no preference being given holders of the maturing issue. The offering will comprise approximately \$250 million of bonds dated August 21, 1967, due April 21, 1969.

The bonds will be offered by the Banks' Fiscal Agent, Robert W. Gilmore, One Chase Manhattan Plaza, New York, N. Y. 10005, through an organized dealer group. The interest rate and offering price of the issue will be announced on or about August 10.

Additional copies of this circular will be furnished upon request.

ALFRED HAYES,  
*President.*

## E R R A T U M

The Board of Governors has informed us that in the printing of the pamphlet containing the Federal Open Market Committee's Rules of Organization, Rules Regarding Availability of Information, and Rules of Procedure, Revised effective July 4, 1967, the word "not" was inadvertently omitted from the next-to-last full sentence on page 9 of that pamphlet. That sentence should read as follows (the omitted word is underscored):

Attendance at Committee meetings is restricted to members of the Committee and its official staff, including the Manager of the System Open Market Account and the Special Manager for foreign currency operations for such Account, the Presidents of Federal Reserve Banks who are not at the time members of the Committee, and such other advisers as the Committee may invite from time to time.

Circulars Division

ATG 014

**FEDERAL OPEN MARKET COMMITTEE**

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**RULES OF ORGANIZATION**

**RULES REGARDING  
AVAILABILITY OF INFORMATION  
(12 CFR 271)**

**RULES OF PROCEDURE  
(12 CFR 272)**

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**Effective July 4, 1967**

**INQUIRIES WITH RESPECT TO THIS PAMPHLET**

**Any inquiry relating to this pamphlet should be addressed to the Federal Reserve Bank of the district in which the inquiry arises.**

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# RULES OF ORGANIZATION \*

As amended effective July 4, 1967

## SECTION 1—BASIS AND SCOPE

These rules are issued by the Federal Open Market Committee (the "Committee") pursuant to the requirement of section 552 of Title 5 of the United States Code that every agency shall publish in the Federal Register a description of its central and field organization.

## SECTION 2—COMPOSITION AND MEETINGS OF COMMITTEE

(a) **Members.**—The Federal Open Market Committee consists of the members of the Board of Governors of the Federal Reserve System and five representatives of the Federal Reserve Banks who are Presidents or First Vice Presidents of such banks. The representatives of the Federal Reserve Banks, and an alternate for each representative, are elected in accordance with section 12A of the Federal Reserve Act for terms of one year commencing on March 1 of each year.

(b) **Chairman and Vice Chairman.**—At its first meeting on or after March 1 of each year, the Committee selects a Chairman and a Vice Chairman from among its membership.

(c) **Meetings.**—The Committee meets at Washington, D. C., on call by the Chairman of the Board of Governors of the Federal Reserve System or at the request of three members of the Committee, at least four times each year and oftener if deemed necessary.

## SECTION 3—PERSONNEL

(a) **Official Staff.**—The official staff of the Federal Open Market Committee includes its Secretary and Assistant Secretaries, General Counsel and Assistant General Counsel, and Economist and Associate Economists, who perform the duties indicated by their titles. These staff members are selected from among the officers and employees of the Board of Governors of the Federal Reserve System and the Federal Reserve Banks. In addition, one of the Federal Reserve Banks is selected by the Committee to execute transactions for the System Open Market Account; and the Committee selects a Manager of the System Open Market

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\* The text is not included in the Code of Federal Regulations and therefore may not be cited with a code reference.

Account and a Special Manager for foreign currency operations for such Account, both of whom shall be satisfactory to such Federal Reserve Bank.

(b) **Others.**—The services of other officers and employees of the Board of Governors of the Federal Reserve System and Federal Reserve Banks are made available and are utilized by the Committee as required.

# RULES REGARDING AVAILABILITY OF INFORMATION \*

(12 CFR 271)

As revised effective July 4, 1967

## SECTION 271.1—BASIS AND SCOPE

This Part is issued by the Federal Open Market Committee (the "Committee") pursuant to the requirement of section 552 of Title 5 of the United States Code that every agency shall publish in the Federal Register for the guidance of the public descriptions of the established places at which, the officers from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions.

## SECTION 271.2—DEFINITIONS

(a) **"Information of the Committee"**.—For purposes of this Part, the term "information of the Committee" means all information coming into the possession of the Committee or of any member thereof or of any officer, employee, or agent of the Committee, the Board of Governors of the Federal Reserve System, or any Federal Reserve Bank, in the performance of duties for, or pursuant to the direction of, the Committee.

(b) **"Records of the Committee"**.—For purposes of this Part, the term "records of the Committee" means rules, statements, opinions, orders, memoranda, letters, reports, accounts, and other papers containing information of the Committee that constitute a part of the Committee's official files.

## SECTION 271.3—PUBLISHED INFORMATION

(a) **Federal Register**.—To the extent required by sections 552 and 553 of the United States Code, and subject to the provisions of §§ 271.5 and 271.6, the Committee publishes in the Federal Register, in addition to this Part,

- (1) a description of its organization;
- (2) statements of the general course and method by which its functions are channeled and determined;
- (3) rules of procedure;
- (4) substantive rules of general applicability, and statements of general policy and interpretations of general applicability formulated and adopted by the Committee;

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\* The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 271; cited as 12 CFR 271. The words "this Part", as used herein, mean these rules.

## RULES REGARDING INFORMATION

(5) every amendment, revision, or repeal of the foregoing; and

(6) general notices of proposed rule making.

(b) **Policy record.**—In accordance with section 10 of the Federal Reserve Act (12 U.S.C. 247a), each annual report made to Congress by the Board of Governors of the Federal Reserve System includes a complete record of the actions taken by the Committee during the preceding year upon all matters of policy relating to open market operations, showing the votes taken and the reasons underlying such actions.

(c) **Other published information.**—From time to time, other information relating to open market operations of the Federal Reserve Banks is published in the Federal Reserve Bulletin, issued monthly by the Board of Governors of the Federal Reserve System, in such Board's annual report to Congress, and in announcements and statements released to the press. Copies of issues of the Bulletin and of annual reports of the Board may be obtained upon request.

SECTION 271.4—RECORDS AVAILABLE TO THE PUBLIC  
ON REQUEST

(a) **Records available.**—Records of the Committee are made available to any person, upon request, for inspection or copying in accordance with the provisions of this section and subject to the limitations stated in §§ 271.5 and 271.6. Records falling within the exemptions from disclosure set forth in section 552(b) of Title 5 of the United States Code and in § 271.6 may nevertheless be made available in accordance with this section to the fullest extent consistent, in the Committee's judgment, with the effective performance of the Committee's statutory responsibilities and with the avoidance of injury to a public or private interest intended to be protected by such exemptions.

(b) **Place and time.**—In general, the records of the Committee are held in the custody of the Board of Governors of the Federal Reserve System, but certain of such records, or copies thereof, are held in the custody of one or more of the Federal Reserve Banks. Any such records subject to this section will be made available for inspection or copying during regular business hours at the offices of the Board of Governors of the Federal Reserve System in the Federal Reserve Building, 20th and Constitution Avenue, Washington, D. C., 20551, or, in certain instances as provided in paragraph (c) of this section, at the offices of one or more designated Federal Reserve Banks.

(c) **Obtaining access to records.**—Any person requesting access to records of the Committee shall submit such request in writing to the Secretary of the Board of Governors of the Federal Reserve System. In any case in which the records requested, or copies thereof, are available at a Federal Reserve Bank, the Secretary of the Board may so advise the person requesting access to the records. Every request for access to records of the Committee shall state the full name and address of the person requesting them and shall describe such records in a manner reasonably sufficient to permit their identification without undue difficulty; and such person shall pay a fee in an amount based upon \$5 per hour for the time required to locate such records and prepare them for inspection plus 10 cents per standard page for any copying thereof.

SECTION 271.5—DEFERMENT OF AVAILABILITY OF  
CERTAIN INFORMATION

(a) **Deferred availability of information.**—In some instances, certain types of information of the Committee are not published in the Federal Register or made available for public inspection or copying until after such period of time as the Committee may determine to be reasonably necessary to avoid the effects described in paragraph (b) of this section or as may otherwise be necessary to prevent impairment of the effective discharge of the Committee's statutory responsibilities. For example, the Committee's current economic policy directive adopted at each meeting of the Committee is published in the Federal Register approximately 90 days after the date of its adoption; and no information in the records of the Committee relating to the adoption of any such directive is made available for public inspection or copying before it is published in the Federal Register.

(b) **Reasons for deferment of availability.**—Publication of, or access to, certain information of the Committee may be deferred because earlier disclosure of such information would

- (1) interfere with the orderly execution of policies adopted by the Committee in the performance of its statutory functions;
- (2) permit speculators and others to gain unfair profits or to obtain unfair advantages by speculative trading in securities, foreign exchange, or otherwise;
- (3) result in unnecessary or unwarranted disturbances in the securities market;
- (4) make open market operations more costly;

## RULES REGARDING INFORMATION

(5) interfere with the orderly execution of the objectives or policies of other Government agencies concerned with domestic or foreign economic or fiscal matters; or

(6) interfere with, or impair the effectiveness of, financial transactions with foreign banks, bankers, or countries that may influence the flow of gold and of dollar balances to or from foreign countries.

### SECTION 271.6—INFORMATION NOT DISCLOSED

Except as may be authorized by the Committee, information of the Committee that is not available to the public through other sources will not be published or made available for inspection, examination, or copying by any person if such information

(a) is exempted from disclosure by statute or executive order;

(b) relates solely to internal personnel rules or practices or other internal practices of the Committee;

(c) relates to trade secrets or commercial or financial information obtained from any person and privileged or confidential;

(d) is contained in inter-agency or intra-agency memoranda or letters, including records of deliberations and discussions at meetings of the Committee and reports and documents filed by members or staff of the Committee that would not be routinely available to a private party in litigation with the Committee;

(e) is contained in personnel, medical, or similar files (including financial files) the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; or

(f) is contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions.

Except as provided by or pursuant to this Part, no person shall disclose, or permit the disclosure of, any information of the Committee to any person, whether by giving out or furnishing such information or copy thereof, by allowing any person to inspect, examine, or reproduce such information or copy thereof, or by any other means, whether the information is located at the offices of the Board of Governors of the Federal Reserve System, any Federal Reserve Bank, or elsewhere, unless such disclosure is required in the performance of duties for, or pursuant to the direction of, the Committee. Any person who may be denied access to records of the Committee may, within 5 days thereafter, file with the Committee a written request for review of such action.

## SECTION 271.7—SUBPOENAS

(a) **Advice by person served.**—If any person, whether or not an officer or employee of the Committee, of the Board of Governors of the Federal Reserve System, or of a Federal Reserve Bank, has information of the Committee that may not be disclosed by reason of § 271.5 or § 271.6 and in connection therewith is served with a subpoena, order, or other process requiring his personal attendance as a witness or the production of documents or information upon any proceeding, he should promptly inform the Secretary of the Committee of such service and of all relevant facts, including the documents and information requested and any facts that may be of assistance in determining whether such documents or information should be made available; and he should take action at the appropriate time to inform the court or tribunal that issued the process, and the attorney for the party at whose instance the process was issued, if known, of the substance of this Part.

(b) **Appearance by person served.**—Except as disclosure of the relevant information is authorized pursuant to this Part, any person who has information of the Committee and is required to respond to a subpoena or other legal process shall attend at the time and place therein mentioned and decline to disclose such information or give any testimony with respect thereto, basing his refusal upon this Part. If, notwithstanding, the court or other body orders the disclosure of such information, or the giving of such testimony, the person having such information of the Committee shall continue to decline to disclose such information and shall promptly report the facts to the Committee for such action as the Committee may deem appropriate.



## **RULES OF PROCEDURE \***

(12 CFR 272)

As amended effective July 4, 1967

### **SECTION 272.1—BASIS AND SCOPE**

This Part is issued by the Federal Open Market Committee (the "Committee") pursuant to the requirement of section 552 of Title 5 of the United States Code that every agency shall publish in the Federal Register its rules of procedure.

### **SECTION 272.2—COMMITTEE ACTION**

The function of the Committee is the direction and regulation of open market operations which are conducted by the Federal Reserve Banks. This involves the determination of the policies which are to be pursued with respect to open market operations by the Federal Reserve Banks with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country, together with consideration and action upon incidental matters relating to the manner in which such operations are to be conducted. The discharge of the Committee's responsibilities requires the continuous gathering of information and study of changing financial, economic, and credit conditions and other pertinent considerations by the members of the Committee and its personnel. These activities are closely interrelated with other activities of the Board of Governors of the Federal Reserve System and the Federal Reserve Banks and all relevant information and views developed by these organizations are available to the Committee. With this background, action is taken by the Committee upon its own initiative at periodic meetings held at least four times each year and oftener if deemed necessary. Attendance at Committee meetings is restricted to members of the Committee and its official staff, including the Manager of the System Open Market Account and the Special Manager for foreign currency operations for such Account, the Presidents of Federal Reserve Banks who are at the time members of the Committee, and such other advisers as the Committee may invite from time to time. The Committee acts through the adoption and transmittal of directives and regulations to the Federal Reserve Banks. Operations in the System

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\* The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 272; cited as 12 CFR 272.

Open Market Account are conducted pursuant to directives issued by the Committee.

SECTION 272.3—NOTICE AND PUBLIC PROCEDURE

There ordinarily will be no published notice of proposed action by the Committee or public procedure thereon, as described in section 553 of Title 5 of the United States Code, because such notice and procedure are impracticable, unnecessary, or contrary to the public interest.

SECTION 272.4—EFFECTIVE DATE

Committee action ordinarily will be made effective on the date the action is taken because the nature of the subject matter and the action taken is such that the public interest and the proper discharge of the Committee's responsibilities so require.