

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 8933]
October 14, 1980

PASS-THROUGH RESERVE BALANCES AND ACCOUNT AGREEMENTS
UNDER THE MONETARY CONTROL ACT OF 1980

To All Depository Institutions, Branches and Agencies of Foreign
Banks, Edge and Agreement Corporations, and Others
Concerned in the Second Federal Reserve District:

The Monetary Control Act of 1980 will have a significant effect on the relationships between this Bank and financial institutions. The enclosed operating circulars will assist institutions in determining how to structure their account relationships with us.

Operating Circular No. 2A, "Pass-Through Reserve Balances"

Operating Circular No. 2A sets forth the rules that must be observed regarding establishment of relationships between and among (a) correspondents that will maintain respondents' reserve balances with us, (b) the respondents, and (c) this Bank. In particular, the circular addresses the ownership and use of pass-through accounts by correspondents.

All depository institutions, other than member banks, that expect that they will be required to maintain reserves in excess of their vault cash and that choose the pass-through option must file the authorization form contained in this operating circular by October 30, 1980. Second District depository institutions in our Head Office territory should send these forms to Joseph Pranci, Chief, Accounting Operations Division. Institutions located in our Buffalo Branch territory should send these forms to Robert J. McDonnell, Operations Officer.

Operating Circular No. 7, "Depository Institution Account Agreement"

Each domestic depository institution (including member banks) and Edge or Agreement corporations desiring to maintain an account with this Bank must enter into the agreement with this Bank set forth in Operating Circular No. 7. Such accounts include separate pass-through accounts and accounts used for reserve or clearing balance purposes. An institution in another Federal Reserve District that desires to act as a pass-through correspondent must also enter into this agreement.

Operating Circular No. 7A, "Foreign Bank Account Agreement"

Each foreign bank that, through a branch or agency located in this or another Federal Reserve District, desires to maintain an account with this Bank must enter into the agreement with the Bank set forth in Operating Circular No. 7A. Such accounts include separate pass-through accounts and accounts used for reserve or clearing balance purposes.

Paragraph 9 of the circular permits a foreign bank branch or agency licensed by the New York Superintendent of Banks to apply its reserve or other balances in its deposit account at this Bank in satisfaction of the 108 per cent asset maintenance requirement of Section 202-b(2) of the New York Banking Law. The New York Banking Department has approved this arrangement.

(over)

The New York Banking Department has also approved arrangements involving this Bank for use of New York licensed branches in satisfying the special deposit requirement of Section 202-b(1) of the New York Banking Law. Separate agreement forms to establish such a special deposit arrangement are available upon request.

Resolutions and opinions of counsel

Operating Circulars Nos. 7 and 7A contain requirements for the execution and delivery of resolutions or opinions of counsel that some institutions may not, because of time constraints, be able to provide to this Bank before they must open accounts with us. Accordingly, this Bank will not delay the opening of an account solely because all of those documents have not been received. In order to ensure uninterrupted use of an account, we request that institutions provide us with any necessary resolutions or opinions of counsel by December 31, 1980 at the latest.

Sixth Supplement to Operating Circular No. 5

Also enclosed is a technical amendment that incorporates our Saturday holiday policy (formerly the subject of Operating Circular No. 7) into Operating Circular No. 5.

Inquiries

If you have any questions regarding these documents, please call, at the Head Office, John J. Strick, Manager, Accounting Department (Tel. No. 212-791-5228), Joseph Prancel, Chief, Accounting Operations Division (Tel. No. 212-791-6569), or Bradley K. Sabel, Assistant Counsel (Tel. No. 212-791-5033), or, at the Buffalo Branch, Robert J. McDonnell, Operations Officer (Tel. No. 716-849-5022).

ANTHONY M. SOLOMON,
President.

**FEDERAL RESERVE BANK
OF NEW YORK**

{ **Operating Circular No. 2A**
October 14, 1980 }

PASS-THROUGH RESERVE BALANCES

To All Depository Institutions in the Second Federal Reserve District, and Others Concerned:

General

1. This operating circular sets forth the terms for pass-through reserve balances maintained by pass-through correspondents, including depository institutions subject to reserve requirements, Federal Home Loan Banks, the Central Liquidity Facility of the National Credit Union Administration, head or branch offices of an Edge or Agreement corporation, United States branches and agencies of foreign banks, or other authorized institutions, for respondents located in this Federal Reserve District, as provided in Section 204.3 of Regulation D of the Board of Governors of the Federal Reserve System ("Pass-Through Correspondents").

2. A depository institution desiring to serve as a Pass-Through Correspondent for an institution located in another Federal Reserve District (a depository institution, a branch or agency of a foreign bank, or a head or branch office of an Edge or Agreement corporation) should directly contact the Federal Reserve Bank of the district in which the proposed respondent is located. This operating circular does not apply to such pass-through arrangements involving respondents located in other Federal Reserve Districts.

3. Terms used in this operating circular will have the same meanings given them in the Monetary Control Act of 1980 and in Regulation D of the Board of Governors, unless otherwise indicated.

Designation

4. A nonmember depository institution, a branch or agency of a foreign bank, or a head or branch office of an Edge and Agreement corporation located in the Second Federal Reserve District ("Respondent") may elect to maintain its required reserve balances

with this Bank through a Pass-Through Correspondent by designating a Pass-Through Correspondent in a "Pass-Through Designation" letter in the form set forth in Exhibit I to this operating circular. The Pass-Through Correspondent designated in that letter must also complete that letter and forward it to us. The designation of a Pass-Through Correspondent will become effective on the date specified by us in letters to the Pass-Through Correspondent and the Respondent acknowledging receipt of the designation.

5. If the Pass-Through Correspondent is located in the Second Federal Reserve District, it may elect to include its Respondents' pass-through reserve balances in its reserve account ("Reserve Account"), or may elect to establish at the office where it maintains its Reserve Account a separate pass-through account with this Bank in which to hold all reserve balances of only its Respondents located in this district ("Pass-Through Account"), in each case subject to the terms of this operating circular. If the Pass-Through Correspondent is located in another Federal Reserve District, it must establish a Pass-Through Account on our books. The procedures for opening a Pass-Through Account in the Second Federal Reserve District and the terms of the agreement for that account are set forth in our Operating Circular No. 7 for domestic depository institutions and Edge and Agreement corporations, and our Operating Circular No. 7A for foreign banks with a United States branch or agency.

6. The reserve balances of Respondents will be commingled in either the Pass-Through Correspondent's Reserve Account or Pass-Through Account. The balances in the Reserve Account or Pass-Through Account shall be deemed to be the property of the Pass-Through Correspondent and shall be subject to its sole order.

Maintenance of reserves

7. In advance of each maintenance period, this Bank will issue to each Second Federal Reserve District depository institution with a reserve requirement a detailed statement of its required reserves. At the same time, the Pass-Through Correspondent will be furnished with a summary of the balances to be maintained for its Respondents located in its Second Federal Reserve District. For the relevant maintenance period, the Pass-Through Correspondent shall maintain the reserve balances of its Second Federal Reserve District Respondents. Any penalty for deficiency in reserve balances will be imposed by this Bank on the Pass-Through Correspondent by debit to the Reserve

Account, or Pass-Through Account, in which the deficiency occurs. The Pass-Through Correspondent may recoup any such penalty from a Respondent in accordance with any agreement between them.

8. The Pass-Through Correspondent shall maintain and retain for a period of at least two years records showing all transactions affecting the maintenance of reserve balances by each of its Respondents.

9. A Pass-Through Correspondent may use a Pass-Through Account only for transactions of Respondents.

10. Inquiries regarding the provision of services by this Bank directly to Respondents involving the use of the Reserve Account or the Pass-Through Account of its Pass-Through Correspondent should be addressed to the appropriate operating area of this Bank. A Respondent that maintains reserves with a Pass-Through Correspondent and desires direct access to this Bank's services may, with our prior approval, open a direct account with us for that purpose.

11. All wire transfers of funds or payments for wire transfers of securities from the Reserve Account or the Pass-Through Account must be made by the Pass-Through Correspondent and may not be made by a Respondent. All wire transfers of funds or securities to a Respondent not maintaining direct accounts with this Bank must be for the account of the Pass-Through Correspondent or other correspondent maintaining an account with this Bank and may designate that the transaction is for the benefit of the Respondent in the description portion of the transfer message.

12. A Respondent may terminate a Pass-Through Designation by delivering written notice of termination to our Accounting Department and its Pass-Through Correspondent. A Pass-Through Correspondent may terminate its designation by delivering written notice of termination to our Accounting Department and its Respondent. Unless otherwise specifically agreed to by this Bank, termination by either a Respondent or Pass-Through Correspondent will become effective at our close of business on the final day of the second maintenance period following the maintenance period in which the notice is received by this Bank. The Respondent may then open its own reserve account on our books or enter into another Pass-Through Designation. This Bank may terminate a Pass-Through Designation

by issuing written notice of termination to the Respondent and its Pass-Through Correspondent. Such termination shall be effective when received by the Respondent or at such later date as is specified in the notice.

13. We reserve the right to amend this operating circular at any time but will endeavor to give 14 calendar days' prior written notice of any amendments.

ANTHONY M. SOLOMON,
President.

EXHIBIT I

PASS-THROUGH DESIGNATION LETTER

[Letterhead of Depository Institution]

[Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045
Attention: Accounting Department]

or

[Buffalo Branch
Federal Reserve Bank of New York
160 Delaware Avenue
P.O. Box 961
Buffalo, New York 14240
Attention: Accounting Division]

Gentlemen:

We designate as
our Pass-Through Correspondent.

.....
(Name of Depository Institution)

By

Date

We agree to act as Pass-Through Correspondent for the above-named depository institution. [That institution's reserve balances will be held in our reserve account on your books] or [That institution's balances will be held in our pass-through account on your books.]

.....
(Name of Pass-Through Correspondent)

By

Date

FEDERAL RESERVE BANK
OF NEW YORK

[Operating Circular No. 7
Revised October 14, 1980]

DEPOSITORY INSTITUTION
ACCOUNT AGREEMENT

*To All Depository Institutions in the Second Federal
Reserve District, and Others Concerned:*

This operating circular sets forth the terms of the agreement between a depository institution ("Institution") and this Bank regarding the opening and maintaining of deposit accounts ("Deposit Accounts"), including accounts for reserve balances held on a direct basis, for balances held by Pass-Through Correspondents, or for clearing balances, and, except for a depository institution with its main office located outside the Second Federal Reserve District, a securities account ("Securities Account") (collectively referred to as the "Accounts") at this Bank. In order for an Institution to operate any Account, it must execute and return a letter to us in the form set forth in Exhibit I to this operating circular, along with a certified copy of a resolution substantially in the form contained in Exhibit II to this operating circular, and a completed signature card on our form or its signature book.

Terms of agreement

1. This agreement will apply to all business transacted through the Accounts. It is understood that no interest will be paid on balances maintained in a Deposit Account. However, if supplemental reserve requirements are imposed pursuant to the Monetary Control Act, interest will be paid on the balances of supplemental reserves maintained. Credits may be earned on clearing balances held in the Deposit Account as specified in paragraph 2. It is further understood that this Bank is not obligated to execute or honor any order, instruction, or transaction to the debit of the Deposit Account unless that Account contains sufficient actually and finally collected funds. Any overdraft in the Deposit Account will be subject to this Bank's rules and procedures regarding overdrafts, including related charges.

[Enc. Cir. No. 8933]

2. This Bank may require Institution, if it uses Federal Reserve services, to maintain a clearing balance. The amount of such clearing balance will be fixed by this Bank. Institution will maintain any required clearing balance in its Deposit Account subject to the rules and regulations of the Board of Governors of the Federal Reserve System regarding clearing balances, and credits may be earned on such balances pursuant to those rules and regulations.

3. Institution will deliver to this Bank a signature card or signature book containing the signatures of all current officers, employees, and agents of Institution authorized to sign documents or issue instructions in the name of the Institution with respect to the Accounts. This Bank will honor only those drafts, checks, other instruments, orders, or instructions regarding the Accounts that are signed or authorized by an officer, employee, or agent whose signature appears on a signature card, or signature book, as revised from time to time by Institution.

4. Except as otherwise provided by regulation, circular, or written agreement, this Bank shall be liable in connection with any action taken or omission by it only for its failure to exercise ordinary care.

5. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, this Bank is authorized at any time and without notice to set off and to appropriate and apply any deposits, or other indebtedness held for or owing to the account of Institution by this Bank, against or on account of any obligations and liabilities whatsoever of Institution to this Bank, irrespective of whether this Bank shall have made any demand or whether such obligations and liabilities are contingent or unmaturred.

6. This agreement shall be construed in accordance with and governed by Federal law, and the laws of the State of New York to the extent such laws are not inconsistent with Federal law. Other terms regarding the operation of the Accounts may be contained in Federal Reserve regulations, this Bank's operating circulars, or written agreements.

7. This agreement shall become effective when this Bank receives the letter from Institution referred to in the first paragraph of this operating circular accepting the terms of this operating circular.

8. We reserve the right to amend this operating circular at any time but will endeavor to give 14 calendar days' prior written notice of any amendments.

Effect of this circular on previous circulars

9. This operating circular, and the Sixth Supplement to Operating Circular No. 5, dated October 14, 1980, supersede our Operating Circular No. 7, Revised effective July 1, 1974. The terms of the superseded Operating Circular No. 7, regarding the closing of this Bank on Saturdays, have been incorporated into Operating Circular No. 5 through the Sixth Supplement thereto.

ANTHONY M. SOLOMON,
President.

EXHIBIT I

LETTER OF AGREEMENT

[Letterhead of Depository Institution]

[Date]

[Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045
Attention: Accounting Department]

or

[Buffalo Branch
Federal Reserve Bank of New York
160 Delaware Avenue
P.O. Box 961
Buffalo, New York 14240
Attention: Accounting Division]

Gentlemen:

We hereby request that you open (*describe deposit and/or securities*) accounts for us on your books and in consideration of your doing so we agree to the provisions of your Operating Circular No. 7. Enclosed are copies of the resolution and signature card or book you requested.

[Name of Institution]

By:
Authorized Signature(s)

Enclosures

EXHIBIT II

RESOLUTIONS AUTHORIZING A DEPOSITORY INSTITUTION TO OPEN AND MAINTAIN DEPOSIT AND SECURITIES ACCOUNTS

I hereby certify that the following resolutions were duly adopted at a meeting of the
of the (*type of governing body, e.g., board of directors*) (the
"Institution"), a (*official name of depository institution*)
(commercial bank, mutual savings bank, savings and loan association, credit union) duly authorized and existing under the laws of, which meeting was duly called and duly held on the day of, 19.., and that such resolutions are now in full force and effect and are not in conflict with any provisions in the certificate of incorporation or by-laws of Institution.

1. RESOLVED, that Institution is hereby authorized to open and maintain deposit and securities accounts at the Federal Reserve Bank of New York ("Reserve Bank").
2. RESOLVED, that of the under-
signed Institution is hereby authorized to agree to the terms of an agreement with Reserve Bank governing those accounts, and to execute and deliver any such agreement on behalf of the Institution.
(*name and title of official*)
3. RESOLVED, that of the
undersigned Institution is hereby authorized and directed to transmit to Reserve Bank the signatures of persons to be recognized as authorized to issue instructions on behalf of the Institution.
(*name and title of official*)^{*}
4. RESOLVED, that Reserve Bank is hereby directed to accept, pay, or apply any draft, check, instrument order, or instruction for the payment of money, or any proceeds thereof, drawn on

* The official designated herein shall be the comptroller or secretary of the Institution or another officer of similar or higher rank. This resolution should be adopted by institutions that do not issue signature books.

(Over)

or payable from such accounts or act on any instructions regarding securities in such securities account when signed as required by this resolution, and (except as provided in Reserve Bank's operating circulars) Reserve Bank shall not be liable in connection therewith notwithstanding that such item may be payable to the order of a person whose signature appears thereon or of any other officer or officers, agent or agents of the Institution, or that such instruction or any proceeds thereof may be used or disposed of for the personal credit or account of any such person or persons, officer or officers, agent or agents or in payment of the individual obligation of any such person or persons, officer or officers, agent or agents.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Institution, this day of, 19 . . .

.....
(Name of Institution)

.....
(Address)

.....
*(Name and Title of
Certifying Official)†*

[SEAL]

† The official certifying this resolution shall have such authority to certify the statements in this document and shall not be designated under paragraph 2 or 3.

FEDERAL RESERVE BANK
OF NEW YORK

[Operating Circular No. 7A
October 14, 1980]

FOREIGN BANK
ACCOUNT AGREEMENT

*To All Foreign Banks with a Branch or Agency in the Second
Federal Reserve District, and Others Concerned:*

This operating circular sets forth the terms of the agreement between a foreign banking institution with a branch or agency in the United States ("Institution") and this Bank regarding the opening and maintaining of deposit accounts ("Deposit Accounts"), including accounts for reserve balances held on a direct basis, for balances held by a pass-through correspondent, or for clearing balances, and, except for a foreign bank's branch or agency located outside of the Second Federal Reserve District, a securities account ("Securities Account") (collectively referred to as the "Accounts") at this Bank. In order for an Institution to operate any Account, it must execute and return a letter to us in the form set forth in Exhibit I to this operating circular, along with (a) a certified copy of a resolution substantially in the form contained in Exhibit II to this operating circular, (b) a completed signature card on our form or its signature book, and (c) opinions of counsel in the forms of Exhibits III and IV.

Terms of agreement

1. This agreement will apply to all business transacted through the Accounts. It is understood that no interest will be paid on balances maintained in a Deposit Account. However, if supplemental reserve requirements are imposed pursuant to the Monetary Control Act, interest will be paid on the balances of supplemental reserves maintained. Credits may be earned on clearing balances held in the Deposit Account as specified in paragraph 2. It is further understood that this Bank is not obligated to execute or honor any order, instruction, or transaction to the debit of the Deposit Account unless that Account contains sufficient actually and finally collected funds. Any overdraft in the Deposit Account will be subject to this Bank's rules and procedures regarding overdrafts, including related charges.

[Enc. Cir. No. 8933]

2. This Bank may require Institution, if it uses Federal Reserve services, to maintain a clearing balance. The amount of such clearing balance will be fixed by this Bank. Institution will maintain any required clearing balance in its Deposit Account subject to the rules and regulations of the Board of Governors of the Federal Reserve System regarding clearing balances, and credits may be earned on such balances pursuant to those rules and regulations.

3. Institution will deliver to this Bank a signature card or signature book containing the signatures of all current officers, employees, and agents of Institution authorized to sign documents or issue instructions in the name of the Institution with respect to the Accounts. This Bank will honor only those drafts, checks, other instruments, orders, or instructions regarding the Accounts that are signed or authorized by an officer, employee, or agent whose signature appears on a signature card, or signature book, as revised from time to time by Institution.

4. Except as otherwise provided by regulation, circular, or written agreement, this Bank shall be liable in connection with any action taken or omission by it only for its failure to exercise ordinary care.

5. Except as provided in paragraph 9, in addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, this Bank is authorized at any time and without notice to set off and to appropriate and apply any deposits, and any other indebtedness held for or owing to the account of Institution by this Bank, against or on account of any obligations and liabilities whatsoever of Institution to this Bank, irrespective of whether this Bank shall have made any demand or whether such obligations and liabilities are contingent or unmatured.

6. This agreement shall be construed in accordance with and governed by Federal law, and the laws of the State of New York to the extent such laws are not inconsistent with Federal law. Other terms regarding the operation of the Accounts may be contained in Federal Reserve regulations, this Bank's operating circulars, or written agreements.

7. Institution warrants that it is authorized under its charter or by-laws or similar chartering documents and under the laws, rules, and regulations of its chartering authority to execute, deliver, and carry out the provisions of this agreement and that the entire

Institution as a judicial entity, and not merely its branches or agencies situated in the United States, is bound by the terms of this agreement, and all assets of Institution wherever located may be executed upon to recover a judgment against Institution arising out of its liabilities or obligations to this Bank.

8. This agreement, and all business conducted through the Accounts, constitute commercial activities of Institution. Institution and its assets are not, in respect of its obligations to this Bank, entitled to any sovereign immunity (including, without limitation, immunity from service of process, from jurisdiction of any court or tribunal, from attachment in aid of execution, or from execution, upon a judgment, or from attachment prior to the entry of a judgment), in any legal proceeding in the Federal or State courts in the United States of America or, except as specified in Exhibit IV, in the courts of the country of Institution's chartering authority or of the country in which it principally conducts its banking business or, if Institution is now (as set forth in Exhibit IV) or in the future becomes entitled to such immunity, Institution, in respect of its obligations to this Bank, expressly and irrevocably waives in respect of this Bank to the maximum extent permitted by law any such immunity in any action or proceeding and hereby irrevocably agrees that any legal action or proceeding arising out of or relating to this agreement may be brought in the Federal or State courts in the United States of America or in the courts of the country of Institution's chartering authority or of the country in which it principally conducts its banking business.

9. If Institution operates one or more branches or agencies in the State of New York under a license issued by the Superintendent of Banks, and Institution is required by Section 202-b(2) of the New York Banking Law and regulations or orders issued thereunder to hold certain specified assets in the State of New York, this Bank and Institution, in order to permit balances in the Deposit Account to be applied to the maintenance of such an asset requirement, agree:

(a) Unless this Bank gives the Superintendent of Banks 30 days' prior written notice, all balances in the Deposit Account will be considered part of the assets to be held by the Institution in the State of New York pursuant to the ratio requirements of Section 202-b(2) of the Banking Law ("designated assets"), and this Bank waives and will not assert, claim, or exercise, and by causing this agreement to be executed in its name, bars and estops itself

from asserting, claiming, or exercising, against any designated assets any purported right of set-off claimed to arise out of liabilities of Institution owing or to be owing to this Bank which arise out of transactions by Institution and this Bank that are not with a branch or agency of Institution licensed by the State of New York.

(b) This agreement is without prejudice (i) to any position that the Superintendent of Banks has taken or may take with respect to the right of set-off against any assets held by this Bank for a licensed foreign banking corporation, (ii) to any position that this Bank has taken with respect to the right of set-off against any assets held by it for a licensed foreign banking corporation or may hereafter take with respect to such assets except as limited by the provisions of subparagraph (a) of this paragraph, (iii) to the right of the Superintendent of Banks to assert a claim to assets other than designated assets, (iv) to the right of this Bank to assert a claim of set-off against or lien upon (A) assets other than designated assets, and (B) designated assets to the extent of liabilities of Institution owing or to be owing to this Bank that arise out of transactions between this Bank and a branch or agency of Institution licensed by the State of New York, and (v) to the right of Institution from time to time to make withdrawals from and to order payments of designated assets.

(c) Any amendment to the provisions of this paragraph 9 shall not become effective until the 14th calendar day following the calendar day written notice of such amendment has been received by the Superintendent of Banks.

10. This agreement shall become effective when this Bank receives the letter from Institution referred to in the first paragraph of this operating circular accepting the terms of this operating circular.

11. Except for paragraph 9, we reserve the right to amend this operating circular at any time but will endeavor to give 14 calendar days' prior written notice of any amendments.

ANTHONY M. SOLOMON,
President.

EXHIBIT I

LETTER OF AGREEMENT

[Letterhead of Branch or Agency of Foreign Bank]

[Date]

Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045
Attention: Accounting Department

Gentlemen:

We hereby request that you open (*describe deposit and/or securities*) accounts for us on your books and in consideration of your doing so we agree to the provisions of your Operating Circular No. 7A. Enclosed are copies of the resolution, signature card or book, and opinions of counsel you have requested.

[Name of Institution]

By:
Authorized Signature(s)

Enclosures

EXHIBIT II

RESOLUTIONS AUTHORIZING A FOREIGN BANK TO OPEN AND MAINTAIN DEPOSIT AND SECURITIES ACCOUNTS

I hereby certify that the following resolutions were duly adopted at a meeting of the
(type of governing body, e.g., board of directors)
of the (the "Bank"), a (corpora-
(official name of foreign bank)
tion) duly organized and existing under the laws of
....., which meeting was duly called and held on the
day of, 19.., and that such resolutions are now in
full force and effect and are not in conflict with any provisions in the
certificate of incorporation or by-laws or similar chartering documents
of said corporation:

1. RESOLVED, that the Bank is hereby authorized to make appli-
cation to a Federal Reserve Bank ("Reserve Bank") to open,
in the name of the undersigned Bank, deposit and securities
accounts for its United States branches or agencies.
2. RESOLVED, that of
(name and title of official)
the Bank is hereby authorized to make application to Reserve
Bank to open deposit and securities accounts and to submit
such application, and is authorized to agree to the terms of
account agreements with a Reserve Bank, and to execute and
deliver any such agreement on behalf of the Bank.
3. RESOLVED, that
(the president, any vice president,
..... of Bank and their
and any [indicate by title any other authorized officers])
successors in office, be, and any of them is/are
(indicate whether one or two)
hereby authorized to transmit to Reserve Bank the signatures
of persons to be recognized as authorized to issue instructions
on behalf of the Bank.
4. RESOLVED, that a Reserve Bank is hereby authorized to accept,
pay, or apply any draft, check, instrument, order, or instruction
for the payment of money, or any proceeds thereof, drawn on

or payable from such deposit accounts or act on any instruction regarding securities in such securities account when signed as required by this resolution, and (except as provided in Reserve Bank's operating circulars) a Reserve Bank shall not be liable in connection therewith notwithstanding that such instruction may direct payment to the order of or may direct delivery of a security to a person whose signature appears thereon or of any other officer or officers, agent or agents of the Bank, or that such instruction or any proceeds thereof may be used or disposed of for the personal credit or account of any such person or persons, officer or officers, agent or agents or in payment of the individual obligation of any such person or persons, officer or officers, agent or agents.

5. RESOLVED, that the Bank, in respect of its obligations to Reserve Bank, expressly and irrevocably waives, to the maximum extent permitted by law, any sovereign immunity (including, without limitation, immunity from service of process, from jurisdiction of any court or tribunal, from attachment in aid of execution, or from execution, upon a judgment, or from attachment prior to the entry of a judgment) in any action or proceeding.
6. RESOLVED, that the officials designated in the foregoing resolutions are hereby authorized to do any and all acts and things that may be necessary or incidental to any transaction authorized by the relevant resolution, or that may be designed or intended to carry out the purpose of such resolution; and that such resolution and all the powers and authorizations hereby granted or confirmed shall continue in full force and effect until written notice of the revocation thereof shall have been given to and received by the Reserve Bank; and that a duly certified copy of this resolution be furnished to the Reserve Bank.

* * *

I, certify that I am the of, a (banking corporation) organized and existing under the laws of, having its head office at, in the City of, and that the foregoing resolutions are true and correct copies.

(title) (foreign bank)
(name of country)

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Bank this ... day of, 19...

.....
(Name of Bank)

.....
(Address)

.....
(Name and Title of
Certifying Official)*

[SEAL]

EMBASSY OF THE UNITED STATES OF AMERICA }
}

On the ... day of, in the year 19.., before me personally came, to me known, who, being by me duly sworn, did depose and say that he resides at, in the City of, that he is the of
(title)
....., the corporation described in and which executed
(foreign bank)
the above instrument; and that he executed such instrument by authority of the Board of Directors of said corporation.

.....
Consul of the
United States of America**

* The official certifying this resolution shall have such authority to certify the statements in this document and shall not be designated under paragraph 2 or 3.

**This acknowledgement may be taken outside the United States by an ambassador, a minister plenipotentiary, a minister extraordinary, a minister resident, a charge d'affaires, a consul general, a vice-consul general, a deputy consul general, a consul, a vice-consul, a deputy consul, a consular agent, a vice-consular agent, a commercial agent, or a vice-commercial agent of the United States within his or her jurisdiction. The seal of his or her office or the seal of the consulate or legation to which he or she is attached should be affixed.

We are of the opinion that:

(1) The Bank and its assets are not entitled to, or if it is entitled it has effectively waived, any sovereign immunity (including, without limitation, immunity from service of process, from jurisdiction of any court, from attachment in aid of execution, or from execution upon a judgment, or from attachment prior to the entry of a judgment) in any legal proceedings brought in the courts of the United States of America.

(2) The agreement of the Bank contained in Operating Circular No. 7A of the Federal Reserve Bank of New York is valid and binding.

In rendering this opinion, we have assumed the correctness of the opinion addressed to you dated, 19. . ., from, Counsel to the Bank at its
(place of incorporation or in
chartering or head office or principal place of business)
., which opinion is attached hereto.
(Country)

Very truly yours,

EXHIBIT IV

OPINION OF FOREIGN COUNSEL

[Date]

Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045

Attention: Accounting Department

In re:
(foreign bank)

Gentlemen:

In connection with the authorization for
(foreign bank)
("the Bank") to establish deposit and securities accounts with a
Federal Reserve Bank,¹ you have requested that we furnish you with
an opinion of counsel regarding the authority of the Bank, including
its Branch/Agency² to engage in those activities under
the laws of
(City)
(Country)

We are counsel to the Bank in,
(City) (Country)
its
(place of incorporation or chartering or head office or principal place of business)
and in such capacity are familiar with its affairs and the laws of
..... affecting it.
(Country)

We are of the opinion that: (1) the Bank, a,
(describe type of institution)
including its, validly exists
(name cities of relevant U.S. branches/agencies)

¹ [Where more than one Reserve Bank is involved, duplicate originals should be prepared for each Reserve Bank.]

² [Where more than one branch or agency is involved:]
(Cities) Branches/Agencies.

(over)

under the laws of (2) under such laws the
(chartering country)
Bank, through its branches or agencies located in the United States,
is duly authorized to enter into the agreement and carry on the
transactions as provided in Operating Circular No. 7A of the Federal
Reserve Bank of New York, (3) assuming that such agreement is
valid and binding under Federal and New York law, such agreement
is valid and binding under the laws of, (4) except as
(Country)
otherwise specified, in respect of its obligations to the Federal Reserve
Bank, neither the Bank nor its assets is entitled to, or, if either is so
entitled, the Bank is authorized to waive, any sovereign immunity (in-
cluding, without limitation, immunity from service of process, from
jurisdiction of any court or tribunal, from attachment in aid of execu-
tion, or from execution upon a judgment, or from attachment prior to
the entry of a judgment) in any legal proceedings brought in the
United States or the country of the Bank's chartering authority or
country in which it principally conducts its banking business, and (5)
the attached resolutions of Bank have been duly adopted.

Very truly yours,

**FEDERAL RESERVE BANK
OF NEW YORK**

Sixth Supplement to
Operating Circular No. 5
(Revised effective July 1, 1974)
October 14, 1980

TIME SCHEDULES
Availability of Credit for Cash Items

To All Depository Institutions in the Second Federal Reserve District, and Others Concerned:

In order to incorporate the provisions of Operating Circular No. 7, Revised effective July 1, 1974, into Operating Circular No. 5, paragraph 12 of Operating Circular No. 5, Revised effective July 1, 1974, is amended to read as follows:

Effect of holidays upon availability

12. No Saturday, Sunday, or other holiday for any office of this Bank will constitute a business day in determining when we will give credit for any cash item being collected by us or for our account. This Bank, including its Buffalo Branch and its other offices, is closed on each Saturday pursuant to Section 24-a of the General Construction Law of New York, and each Saturday is a public holiday in all respects affecting this Bank. All offices of other Federal Reserve Banks are also closed on each Saturday.

This amendment does not reflect any change in this Bank's holiday policy. Operating Circular No. 7 has been revised to cover accounts maintained at this Bank by domestic and foreign depository institutions.

ANTHONY M. SOLOMON,
President.

[Enc. Cir. No. 8933]