

## BY - LAWS

## BALTIMORE BRANCH - FEDERAL RESERVE BANK OF RICHMOND.

Pending the pronulgation by the Federal Reserve Board of rules and regulations governing the operation of branch banks, under the provisions of Section 3 of the Federal Reserve Act, the following by-laws, approved by the Federal Reserve Bank of Richmond under the authority of the Federal Reserve Board, are hereby adopted by the Board of Directors of the Baltimore Branch of the Federal Reserve Bank of Richmond, for the conduct and government of the said Baltimore Branch.

ARTICLE I.Section 1. Name and Place of Business.

This Branch shall have its place of business in the City of Baltimore, State of Maryland, and shall be known as the Baltimore Branch of the Federal Reserve Bank of Richmond.

Section 2. Branch Territory.

The territory apportioned to the said Baltimore Branch for clearing and collection purposes, and for such other purposes as are hereinafter or may hereafter be, set forth in these by-laws, or any anendment thereof, shall be that part of the Fifth Federal Reserve District embraced in the State of Maryland. The Federal Reserve Bank of Richmond under such regulations as it may prescribe may authorize banks and trust companies located in other parts of the Fifth Federal Reserve District to deal with the Baltimore Branch, instead of with the Head Office at Richmond, Va., in like manner, and to the same extent as such dealing is permitted to the banks located in the State of

Maryland, whenever it shall appear to the said Federal Reserve Bank of Richmond that the arrangement will be to the advantage of the said banks or trust companies and to the general advantage of the system.

Section 3. Powers and Functions.

Subject to such rules and regulations as the Federal Reserve Board may prescribe, and under the direction and control of the Federal Reserve Bank of Richmond, the powers and functions of the Baltimore Branch shall be as follows:

(a) To receive deposits from and make payments to, or for, member banks, nonmember banks, trust companies, and other Federal Reserve Banks.

(b) Under the direction and control of the Federal Reserve Bank of Richmond, and the Federal Reserve Agent, to receive and pay out Federal Reserve notes of the Federal Reserve Bank of Richmond, and to redeem Federal Reserve notes of the Federal Reserve Bank of Richmond, and of other Federal Reserve Banks.

(c) To maintain and operate a department, or departments, for the clearing and collection of checks and drafts payable upon presentation, and also for the collection of maturing notes and bills, and other cash and credit instruments, for the account of the Federal Reserve Bank of Richmond, as fully as may be from time to time authorized by law, for Federal Reserve Banks.

(d) To receive from banks and trust companies, located in the district assigned to the Branch, and from such other banks and trust companies as may be authorized by the Federal Reserve Bank of Richmond to deal directly with the Branch, offerings of bills, notes, and other instruments of credit, eligible for purchase, discount, or rediscount, by a Federal Reserve Bank, and to transmit the same to the Federal Reserve Bank of Richmond, with appropriate recommendations, as hereinafter provided. Nothing herein contained, however, shall be construed to abridge the rights and powers of member banks to deal directly with the Federal Reserve Bank of Richmond, with respect to all relations of member banks with their Federal Reserve Bank, as provided by law.

(e) To perform such other duties and services as may be specifically required of it by the Federal Reserve Bank of Richmond, or the Federal Reserve Agent for the said District.

Section 4. Reports.

The said Baltimore Branch shall make such daily, other periodical and special reports of its operations to the Federal Reserve Bank of Richmond as may be required on forms to be prescribed. The scope and form of such reports to be determined by the officers of the Federal Reserve Bank of Richmond.

## ARTICLE II.

RESERVE ACCOUNTS - DEPOSITS - CHECKSSection 1. Reserve Accounts and Deposits.

The Reserve Account of a member bank assigned to deal with the Branch, or the Collection account of a nonmember bank authorized to deal with the Branch, shall be kept at the Branch. All checks and other items for credit in such account shall be sent direct to the Branch, except as hereinafter provided, and such items shall become available as reserve in accordance with a time schedule prescribed by the Federal Reserve Bank of Richmond. With reference to each reserve account kept at the Branch, the Branch shall keep a record which will show day by day the exact balance available as reserve, and also day by day the required reserve of the member bank. Reports relative to required reserve shall be made direct to the Branch by member banks maintaining accounts at the Branch. Penalties for impairment of reserve shall be calculated and charged to the respective accounts of the member banks liable to such penalties, under the direction of the officers of the Federal Reserve Bank of Richmond.

## Section 2. Checks and Drafts.

Checks and Drafts drawn by member banks against their accounts kept at the Branch shall be drawn on the Baltimore Branch of the Federal Reserve Bank of Richmond. Such checks and drafts shall be received (subject to payment) by the Federal Reserve Bank of Richmond, on a one day deferred basis, but by the Baltimore Branch for immediate payment. Checks and drafts drawn on the Federal Reserve Bank of Richmond by a member bank, whose reserve account is kept at the Head Office, shall be received by the Baltimore Branch on a one day deferred basis.

## Section 3. Direct Routing.

Any member bank whose reserve account is kept at the Baltimore Branch may be authorized by the Federal Reserve Bank of Richmond to send items direct to the Federal Reserve Bank of Richmond, for credit with the Baltimore Branch, subject to such rules and regulations as the Federal Reserve Bank of Richmond may prescribe. Similarly, any member bank, whose reserve account is kept at the Head Office in Richmond, Va., may be authorized by the Federal Reserve Bank of Richmond to send items direct to the Baltimore Branch, for credit with the Federal Reserve Bank of Richmond, subject to such rules and regulations as the Federal Reserve Bank of Richmond may prescribe.

## ARTICLES III.

### OFFERINGS FOR DISCOUNT OR PURCHASE

#### Section 1.

Member banks whose reserve accounts are kept at the Branch may send direct to the Federal Reserve Bank of Richmond, for credit with the Branch, any paper eligible for purchase, discount or rediscount, by a Federal Reserve

Bank; or whenever it may be desired to receive credit more promptly, may send such paper to the Branch, and when approved by the executive committee of the Branch, may receive immediate credit on the books of the Branch at the face value of the paper, subject to final action by the Executive Committee of the Federal Reserve Bank of Richmond. Such offerings shall be promptly transmitted to the Federal Reserve Bank of Richmond for action by the Executive Committee of that Bank. Paper so transmitted shall be acted upon promptly and the offering bank shall be immediately/by the Federal Reserve Bank of Richmond of its acceptance or rejection and of the amount of discount deducted, and the Baltimore Branch shall also be advised of the amount of the discount, which shall be immediately charged to the account of the member bank offering the paper for sale, discount, or rediscount, with advice to member bank.

Section 2. Rejected Items.

If any of the paper so offered is, in the opinion of the Executive Committee of the Federal Reserve Bank of Richmond, ineligible for discount, or purchase, under the provisions of the Federal Reserve Act and the regulations of the Federal Reserve Board, or for any other reason not acceptable for purchase, or discount, the same shall be returned direct to the member bank making the offering by the Federal Reserve Bank of Richmond, with reasons for non-acceptance. The Federal Reserve Bank of Richmond shall, at the same time, advise the Baltimore Branch of such return, and the Baltimore Branch shall immediately charge the face value of paper to the bank by which it was offered (provided such bank shall have already received credit for the face value of the paper), and shall charge such interest for the inter-

vening time as may be equitable. The Executive Committee of the Federal Reserve Bank of Richmond may authorize the Executive Committee of the Baltimore Branch to return offerings immediately to the sending bank when the <sup>paper</sup> offered is clearly ineligible, or technically not in acceptable shape.

#### ARTICLE IV

##### DIRECTORS

###### Section 1. Number and Quorum.

Directors shall be appointed annually. The number of Directors shall be five, of whom the Manager shall be one. A majority of the Directors shall constitute a quorum for the transaction of business, but less than a majority may adjourn from time to time, until a quorum is in attendance.

###### Section 2. Vacancies.

Vacancies in the membership of the Board shall be filled in the manner provided by law.

###### Section 3. Meetings.

There shall be a regular meeting of the Board on the second and fourth Tuesdays in each month, at ten o'clock, a. m., or if either Tuesday be a holiday, on the next succeeding full business day. The Manager shall be empowered to call a special meeting of the Board at any time, and he shall do so upon the request of the Federal Reserve Bank of Richmond, or the written request of any two directors. Notice of any meeting, if sent

by mail, shall be mailed at least one day prior to the date of meeting, and if given by telegraph or telephone, at least two hours before the time of meeting, or in time to permit Directors to attend.

Section 4. Executive Committee.

There shall be an Executive Committee, consisting of the Manager, the Cashier, and one Director other than the Manager, any two of whom may act. The Director (other than the Manager) to serve on the Executive Committee, shall be selected by the Board of Directors of the Branch. He shall serve for three months, or until his successor is selected, and each of the Directors (other than the manager) shall be given the opportunity to serve a three months term on the Executive Committee during the year.

Section 5. Fees.

Each Director, when present at Director's meetings, whether at the regular monthly meeting or at a called meeting (as herein provided) shall receive a compensation of \$10.00 for each day the Board is in session, and an allowance to cover actual expenses incident to attendance at the regular or special meeting.

The Director (other than the Manager), who is a member of the Executive Committee, shall receive a compensation of \$5.00 for each attendance upon a meeting of the Executive Committee, for every day of such attendance by him, except the day upon which he shall also attend a regular or special meeting of the Board.

Section 6. Order of Business.

The following shall be the order of business of each meeting of the Board of Directors of the Branch:

1. Reading and disposition of minutes of the last meeting.
2. Report of the Manager, including information concerning banking and business conditions in the Branch territory, as well as a summary of all business transacted since the last regular meeting, and a statement of present condition.
3. Reading by the Manager of official correspondence with the Federal Reserve Bank of Richmond.
4. Reports of committees.
5. Unfinished business.
6. Approval of reports and recommendations to the Federal Reserve Bank of Richmond.
7. New Business.

## ARTICLE V.

Section 1. Officers.

The officers, who shall be chosen by the Board of Directors of the Federal Reserve Bank of Richmond, shall be a Manager, who shall be one of the Directors of the Branch, a Cashier, and such other officers as, in the opinion of the Directors of the Federal Reserve Bank of Richmond, may be necessary for the proper conduct of the business of the Branch. They shall hold office during the pleasure of the Directors of the Federal Reserve Bank of Richmond.



### Section 2. Manager.

The Manager shall preside at all Directors' meetings, and shall have general charge of the Branch. He shall be officially designated as Manager Baltimore Branch. The Manager shall, jointly with the Cashier, have charge of all moneys, and all funds, investments, collaterals, and other securities, held by the Branch, subject to such rules as the Federal Reserve Board may adopt for their safety. In all cases in which the duties of subordinate officers, or other employees of the Branch are not specifically prescribed by the by-laws, or the Board of Directors of the Branch, or the Federal Reserve Bank of Richmond, they shall be the duties prescribed by, and the instructions of, the Manager.

### Section 3. Acting Manager.

In the absence, or disability, of the Manager, the Directors of the Federal Reserve Bank of Richmond, or the Executive Committee of the Federal Reserve Bank of Richmond, may appoint an Acting Manager, who shall exercise the powers and discharge the duties of the Manager.

### Section 4. Cashier.

The Cashier shall jointly with the Manager have custody of all moneys, investments, collaterals, and other securities, subject to such rules as the Federal Reserve Board may adopt for their safety, and under such regulations as the Federal Reserve Bank of Richmond may prescribe. He shall keep the minutes of the Board meetings, and of all committees of the Board, and perform such other duties as may be assigned to him from time to time by the Manager, subject to the approval of the Federal Reserve Bank of Richmond, acting through its Board of Directors or Executive Committee.

Section 5. Acting Cashier.

In the absence, or disability, of the Cashier, the Executive Committee of the Board of Directors of the Branch may appoint an Acting Cashier, who shall exercise the powers and perform the duties of the Cashier, until such time as the Federal Reserve Bank of Richmond, acting through its Board of Directors or Executive Committee, shall appoint a successor to the Cashier, or Acting Cashier.

Section 6. Other Employees.

Other employees shall be appointed by the Federal Reserve Bank of Richmond, acting through its Board of Directors, or Executive Committee, or they may be appointed by the Manager, subject to the approval of the Directors or Executive Committee of the Federal Reserve Bank of Richmond. The compensation of officers, clerks, and employees of the Branch shall be fixed by the Federal Reserve Bank of Richmond, acting through its Directors, or Executive Committee, subject, however, to the approval of the Federal Reserve Board.

Section 7. Expenditures.

All expenditures of the Branch shall be subject to the approval of the Federal Reserve Bank of Richmond, acting through its Directors or Executive Committee. The Branch shall keep a regular expense account, in such form, and in such manner, as may be prescribed by the Federal Reserve Bank of Richmond. The total amount of such account shall be charged on the last day of the month to the Federal Reserve Bank of Richmond, at which time detailed report shall be made to the said Bank.

Section 8. Counsel.

The General Counsel of the Federal Reserve Bank of Richmond shall act

as Counsel for the Branch, and shall represent the Branch in such matters as may be assigned to him, and shall approve all legal documents. The said General Counsel at the request of the Federal Reserve Bank of Richmond may appoint a local attorney, as Associate Counsel, with a retainer, to be approved by the Federal Reserve Bank of Richmond.

Section 9. Auditor.

The Auditor of the Federal Reserve Bank of Richmond shall act as Auditor of the Branch. He shall, however, have one or more assistants, as may be determined by the Federal Reserve Bank of Richmond, which assistant, or assistants, shall be permanently located at the Branch, and shall perform such duties as may be assigned to them by the Auditor of the Federal Reserve Bank of Richmond, and the Executive Committee of the Federal Reserve Bank of Richmond, or the Manager of the Branch, with the approval of said Executive Committee. The chief Assistant shall be known as the Auditor of the Branch, and he may be appointed Assistant to the Federal Reserve Agent of the Federal Reserve Bank of Richmond, in which case he shall perform such duties as may be prescribed by the Federal Reserve Agent.

ARTICLE VI.

Section 1. Business Hours.

The Bank shall be open for business from nine a. m. to three p. m., on each day, except Saturdays and Sundays, or days, or parts of days established as legal holidays in the State of Maryland. On Saturdays the Bank shall open at nine a. m. and close at twelve noon.

ARTICLE VII.Section 1. Amendments.

Amendments to these by-laws, which shall have been previously authorized and approved by the Federal Reserve Bank of Richmond, may be adopted at any regular meeting, by a majority vote of all Directors of the Baltimore Branch of the Federal Reserve Bank of Richmond, previous notice of the proposed amendment having been given by the Manager to each Director of the Branch.

2/4/18