

BY-LAWS OF THE FEDERAL RESERVE BOARD.

June 27, 1923.

Article I.

The Chairman.

The Secretary of the Treasury, as Chairman of the Board, shall preside at all meetings when present. In the absence of the Chairman, the Governor shall act as presiding officer. In the absence of both the Chairman and the Governor, the Vice-Governor shall preside, and in the absence of all three such officers, the remaining member of the Executive Committee shall preside.

Article II.

The Governor.

Sec. 1. The Governor of the Federal Reserve Board shall be the active executive officer thereof; subject, however, to the supervision of the Board and to such rules and regulations as may be incorporated herein or may from time to time, by resolution, be established.

Sec. 2. The Governor shall have general charge of the executive and routine business of the Board not specifically assigned under the by-laws or by resolution of the Board to any individual member or committee thereof, and shall have supervision of the Board's staff.

Sec. 3. It shall be the duty of the Governor to oversee and control the submission of statements to the press expressive of the Board's policy or descriptive of its action.

Sec. 4. The Governor shall be an ex-officio member of all Standing Committees of the Board.

Article III.

The Vice-Governor.

Sec. 1. In the absence or disability of the Governor, his powers shall be exercised and his duties discharged by the Vice Governor, and in the absence or disability of both of these officers, such powers shall be exercised and such duties discharged by the remaining member of the Executive Committee; in the absence or disability of all members of the Executive Committee the powers and duties of the Governor shall be exercised by the senior member of the Board present.

Sec. 2. It shall be the duty of the Vice Governor to cooperate with the Governor in the administration of the executive business of the Board.

Article IV.

The Executive Committee.

Sec. 1. There shall be an Executive Committee of the Board consisting of three members, which shall include the Governor and Vice-Governor and one other. The third member shall be nominated and elected at a regular meeting of the Board. Members of the Board shall serve as far as practicable in rotation and for periods to be fixed by the Governor from time to time. Two members shall constitute a quorum for the transaction of business.

Sec. 2. It shall be the duty of the Executive Committee of the Board to transact all business of an executive nature which can be transacted in accordance with principles or policies already established by the Board, and such as may be delegated to it from time to time; to review and approve important correspondence involving the expression of opinions or decisions of the Board, and to prepare and make recommendations governing the conduct of the Board's business.

Sec. 3. The Executive Committee shall also have charge of all matters appertaining to the internal organization of the Board, and shall make recommendations from time to time on this matter. It shall also prepare annually a budget of proposed expenditures.

The Secretary of the Board shall serve as Secretary of the Executive Committee.

Article V.

Standing Committee.

In addition to the Executive Committee there shall be the following Standing Committees:

Sec. 1. Law.

To the Law Committee shall be referred for study and report all questions of a legal nature. To this Committee shall also be assigned the preparation or revision of the Board's regulations, contemplated amendments to the Federal Reserve Act, applications under the Kern amendment to the Clayton Act, and applications for the exercise by national banks of trust powers.

The General Counsel shall serve as Secretary of the Committee.

Sec. 2 Examination.

To this Committee shall be referred all questions relating to the examination of Federal Reserve or member banks including admission of state banks and permission to establish and operate branches.

The Chief Examiner shall serve as Secretary of this Committee.

Sec. 3. Clearings.

To this Committee shall be referred all questions relating to the Federal Reserve par clearance system.

The Secretary of the Board shall serve as Secretary of this Committee.

Sec. 4. Discount and Open Market Policy.

It shall be the duty of this Committee to study and advise the Board from time to time of the trend of business and credit and to make recommendations with regard to the credit policy and operations of the Federal Reserve Banks including changes of discount rates and the purchase or sale of open market investments.

The Director of the Division of Research and Statistics shall serve as Secretary of this Committee.

Sec. 5. Agricultural Credit Conditions.

It shall be the duty of this Committee to keep the Board informed of the condition of agriculture and its credit needs in different Federal Reserve Districts in order to bring about a better adaptation of the credit operations of the Federal Reserve Banks to the meeting of these needs.

A member of the Division of Research and Statistics shall be designated to serve as Secretary of this Committee.

Sec. 6. Research and Statistics.

This Committee shall have charge of all investigations of an economic and statistical character authorized by the Board and shall supervise the work of the Division of Research and Statistics and the preparation and publication of the Federal Reserve Bulletin. This Committee shall also have supervision of the statistical and publication work of the Federal Reserve Banks.

The Director of the Division of Research and Statistics shall serve as Secretary of this Committee.

Sec. 7. Salaries and Expenditures of Federal Reserve Banks.

To this Committee shall be assigned all recommendations from Federal Reserve Banks for changes of salaries and other expenditures. This Committee shall also make reports with respect to charge-offs and franchise tax of Federal Reserve Banks.

The Assistant Secretary of the Board shall serve as Secretary of this Committee.

Sec. 8. District Committees.

To each Federal Reserve Bank and District shall be assigned a Committee of not less than two members of the Federal Reserve Board. It shall be the duty of each Committee to keep itself informed by correspondence and visit of the affairs of the Bank and the condition of the District, and make investigation and report on all questions appertaining to the operation of any Federal Reserve Bank or the condition of any Federal Reserve District that may be referred to it by the Board. These Committees shall also aid the Committee on Salaries and Expenditures of Federal Reserve Banks

with information regarding personnel of the respective Federal Reserve Banks of which they have charge. These Committees shall also make recommendations to the Board for the appointment of Directors at Federal Reserve Banks and Branches.

Sec. 9. NOMINATIONS. It shall be the duty of this Committee to investigate and report on the qualifications of all recommendations for the appointment of Class C Directors and other vacancies to be filled by the Board at Federal Reserve Banks or their branches.

Article VI

The Secretary and Assistant Secretaries

Sec. 1. The Board shall appoint a Secretary and one or more Assistant Secretaries.

Sec. 2. The Secretary shall attend each meeting of the Board and shall keep an accurate record of its proceedings, and shall conduct such correspondence as may be assigned to him by the Board or the Governor. He shall perform such other duties as may be assigned to him by the Governor.

Sec. 3. The Secretary shall have custody of the seal, and, acting under the authority of the Board, shall have power to affix the same to all instruments requiring it. Such instruments shall be attested by the Secretary.

Sec. 4. The Assistant Secretary designated by the Board or by the Secretary shall exercise the powers and discharge the duties of the Secretary in his absence or disability. The Assistant Secretaries shall perform such other duties as may be assigned to them from time to time by the Board or by the Secretary of the Board.

Article VII.

Assistant to the Governor.

Sec. 1. The Board may appoint an Assistant to the Governor.

Sec. 2. The Assistant to the Governor shall perform such duties as shall be assigned to him by the Governor.

Sec. 3. The Assistant to the Governor shall have power to sign checks of the Federal Reserve Board withdrawing funds from the Gold Settlement Fund as described in Article IX of these by-laws, and requisitions upon the Comptroller of the Currency for the delivery of Federal Reserve notes to the respective Federal Reserve Agents or to their order and Federal Reserve Bank notes to the respective Federal Reserve Banks or to their order as described in Article X of these by-laws, such checks and requisitions to be countersigned by the Governor or acting executive officer of the Board.

Article VIII.

The Fiscal Agent and Deputy Fiscal Agent.

Sec. 1. The Board shall appoint a Fiscal Agent and a Deputy Fiscal Agent. The duty of the Fiscal Agent shall be to collect and deposit all moneys receivable by the Board with the Treasurer of the United States, to be placed in a special fund established on the books of the Treasurer for the Federal Reserve Board. The Deputy Fiscal Agent shall perform the duties of the Fiscal Agent during his absence or disability.

Sec. 2. The Fiscal Agent and Deputy Fiscal Agent shall each execute a separate bond with surety satisfactory to the Board.

Sec. 3. Payments of expenses and other disbursements of the Board shall be made by the Fiscal Agent upon proper vouchers out of moneys advanced to him by requisition and warrant out of the special fund and placed to his official credit with the Treasurer of the United States as provided by section 5 of this Article. In the absence of the Fiscal Agent payment of expenses and other disbursements shall be made by the Deputy Fiscal Agent upon proper vouchers out of moneys advanced to the Fiscal Agent by requisition and warrant out of the special fund and placed to his official credit with the Treasurer of the United States as provided by Sections 5 and 6 of this article.

Sec. 4. The Fiscal Agent shall prepare a quarterly account in such form as shall be approved by the Comptroller General of the United States and, after approval by the Governor, such quarterly account shall be submitted to the General Accounting Office. Such account shall cover payments of expenses and other disbursements made by both the Fiscal Agent and the Deputy Fiscal Agent.

Sec. 5. The Governor shall, when necessary, make requisition on the Treasurer of the United States for the advance of such sums to the Fiscal Agent as may be necessary from the Federal Reserve Board fund.

Sec. 6. The Deputy Fiscal Agent in making disbursements of the Board upon proper vouchers out of the moneys advanced to the Fiscal Agent shall sign against funds to the official credit of the Fiscal Agent with the Treasurer of the United States in the name of the Fiscal Agent by himself as Deputy Fiscal Agent.

Article IX.

Gold Settlement Fund
and
Federal Reserve Agents' Fund

All funds deposited by or for account of the respective Federal Reserve Agents in the Federal Reserve Agents' fund of the Federal Reserve Board and all funds deposited by or for account of the respective Federal Reserve Banks in the Gold Settlement Fund of the Federal Reserve Board shall be held on deposit with the Treasurer of the United States and shall be subject to withdrawal only by check of the Federal Reserve Board signed by the Secretary or an Assistant Secretary or the Assistant to the Governor and countersigned by the Governor or acting executive officer of the Board.

Article X.

Requisition for Delivery
of
Federal Reserve Notes

Requisitions upon the Comptroller of the Currency for the delivery of Federal Reserve notes to the respective Federal Reserve Agents shall be signed by the Secretary or an Assistant Secretary or the Assistant to the Governor and countersigned by the Governor or acting executive officer of the Board.

Article XI.

The Seal.

The following is an impression of the seal adopted by the Board.

SEAL

Article XII.

Counsel

Sec. 1. The Board shall appoint a General Counsel whose duty it shall be to advise with the Board, or any member thereof, as to such legal questions as may arise in the conduct of its business; to prepare, at the Board's request opinions, regulations, rulings, forms and other legal papers and to perform generally such legal services as he may be called upon by the Board to perform.

Sec. 2. Subject to the direction of the Governor, the General Counsel shall have authority to correspond directly with the Counsel of the various Federal Reserve Banks and to request their opinions as to the interpretation of the local laws of the States included in their respective Federal Reserve Districts. Copies of all such correspondence to be furnished to the Board for its information.

Sec. 3. Whenever it may be deemed advisable, the Board may appoint one or more Associate or Assistant Counsel, or one or more Assistants to Counsel. The duty of such Associate or Assistant Counsel shall be to assist the General Counsel in the performance of his duties and to perform the duty of the General Counsel in his absence. The duty of such Assistant to Counsel or Assistants to Counsel shall be to assist the General Counsel in the performance of his duties.

Sec. 4. The Board may appoint from time to time Consulting Counsel, who may be attorneys at law engaged in outside practice.

Article XIII.

Meetings.

Sec. 1. Stated meetings of the Board shall be held on such days of the week at such hours as the Board by majority vote may adopt from time to time. Special meetings of the Board shall be called by the Chairman or the Governor or upon the written request of three members of the Board.

Sec. 2. Four members of the Board shall constitute a quorum for the transaction of business, except as otherwise required by the Federal Reserve Act.

Sec. 3. At all meetings of the Board the following shall be the order of business:

- (1) Reading or inspection of the Minutes of the last regular meeting and Minutes of meetings of the Executive Committee.
- (2) Report of the Governor.
- (3) Report of the Secretary.
- (4) Reports of the committees or members on assigned business.
- (5) * Unfinished business.

Article XIV.

Information and Publication.

Sec. 1. All persons employed by the Board shall keep inviolate its business, affairs, and concerns, and shall not disclose or divulge the same to any unauthorized person whomsoever, and any employee who shall give information contrary to this by-law shall be liable to immediate dismissal.

Except upon vote of the Board, no one other than a Member of the Board, or the Secretary, Assistant Secretary, Assistant to the Governor, and Counsel, shall be permitted to inspect any of the Board's minutes.

Sec. 2. While each member of the Board must determine for himself the propriety or necessity of expressing publicly his individual opinion on any question, members shall not quote publicly the opinion of other members on matters which have not formally been passed upon by the Board.

Sec. 3. There shall be published monthly, under the supervision of a committee of the Board, a bulletin to be known as "The Federal Reserve Bulletin", which shall be the official periodical organ or publication of the Federal Reserve Board.

Sec. 4. No resolutions of a personal character, except upon the death of a member of the Federal Reserve Board while serving as such, shall appear in any publication of the Federal Reserve Board.

Article XV.

Audit

The executive committee, acting as a committee of Audit, shall audit the accounts of the Board for each six months' period.

Article XVI.

Amendments.

These by-laws may be amended at any regular meeting of the Board by a majority vote of the entire Board, provided that a copy of such amendments shall have been delivered to each member at least seven days prior to such meeting.