

tional agricultural credit corporations authorized to be formed under the Agricultural Credits Act.

§ 359a. Omitted

CODIFICATION

Section, act Dec. 23, 1913, ch. 6, §14(h), as added June 8, 1979, Pub. L. 96-18, §2, 93 Stat. 35, which authorized the Secretary of the Treasury to borrow and sell in open market, and required the repurchase and return of obligations to Federal Reserve Banks, was effective only during the two-year period that began June 8, 1979, as provided by section 3(a) of Pub. L. 96-18.

§ 360. Receiving checks and drafts on deposit at par; charges for collections, exchange, and clearances

Every Federal reserve bank shall receive on deposit at par from depository institutions or from Federal reserve banks checks and other items, including negotiable orders of withdrawal and share drafts and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and other items, including negotiable orders of withdrawal and share drafts and drafts drawn by any depositor in any other Federal reserve bank or depository institution upon funds to the credit of said depositor in said reserve bank or depository institution. Nothing herein contained shall be construed as prohibiting a depository institution from charging its actual expense incurred in collecting and remitting funds, or for exchange sold to its patrons. The Board of Governors of the Federal Reserve System shall, by rule, fix the charges to be collected by the depository institutions from its patrons whose checks and other items, including negotiable orders of withdrawal and share drafts are cleared through the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank.

(Dec. 23, 1913, ch. 6, §16 (par.), 38 Stat. 265; Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704; Pub. L. 96-221, title I, §105(c), Mar. 31, 1980, 94 Stat. 140.)

CODIFICATION

Section is comprised of the twelfth par. (formerly the thirteenth par.) of section 16 of act Dec. 23, 1913. For classification to this title of other pars. of section 16, see Codification note set out under section 411 of this title.

AMENDMENTS

1980—Pub. L. 96-221, which directed amendment of “[t]he thirteenth paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 360)” by substituting “depository institutions” for “member banks” wherever appearing and “depository institution” for “member bank” wherever appearing and by inserting “and other items, including negotiable orders of withdrawal and share drafts” after “checks” wherever appearing, was executed to this section to reflect the probable intent of Congress.

CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-221 effective on first day of sixth month which begins after Mar. 31, 1980, see sec-

tion 108 of Pub. L. 96-221, set out as a note under section 248 of this title.

§ 361. Bills receivable, bills of exchange, acceptances; regulations by Board of Governors

The discount and rediscount and the purchase and sale by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange, and of acceptances authorized by this chapter, shall be subject to such restrictions, limitations, and regulations as may be imposed by the Board of Governors of the Federal Reserve System.

(Dec. 23, 1913, ch. 6, §13 (par.), 38 Stat. 264; Sept. 7, 1916, ch. 461, 39 Stat. 753; Aug. 23, 1935, ch. 614, §203(a), 49 Stat. 704.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Dec. 23, 1913, ch. 6, 38 Stat. 251, as amended, known as the Federal Reserve Act. For complete classification of this Act to the Code, see References in Text note set out under section 226 of this title and Tables.

CODIFICATION

Section is based on the tenth par. of section 13 of act Dec. 23, 1913, as amended. The tenth par. constituted the eighth par. of section 13 in 1916 (39 Stat. 753), became the ninth par. in 1923 (42 Stat. 1478), and became the tenth par. in 1932 (47 Stat. 715). For further details, see Codification notes under sections 342 to 344 of this title.

CHANGE OF NAME

Section 203(a) of act Aug. 23, 1935, changed the name of the Federal Reserve Board to Board of Governors of the Federal Reserve System.

§§ 362 to 364. Omitted

CODIFICATION

Section 362, act June 1, 1955, ch. 113, title I, 69 Stat. 72, which related to reimbursement of Federal Reserve banks and branches for necessary expenses incident to deposit of withheld taxes in Government depositories, was from the Treasury-Post Office Appropriation Act, 1956, and was not repeated in subsequent appropriation acts.

Similar provisions were contained in the following prior appropriation acts:

May 28, 1954, ch. 242, title I, 68 Stat. 144.
 June 18, 1953, ch. 132, title I, 67 Stat. 67.
 June 30, 1952, ch. 523, title I, 66 Stat. 289.
 Aug. 11, 1951, ch. 301, title I, 65 Stat. 182.
 Sept. 6, 1950, ch. 896, Ch. IV, title I, 64 Stat. 634.
 June 30, 1949, ch. 286, title I, 63 Stat. 358.
 June 14, 1948, ch. 466, title I, 62 Stat. 409.

Section 363, act June 1, 1955, ch. 113, title I, 69 Stat. 72, which related to reimbursement of Federal Reserve banks and branches for necessary expenses incident to verification and destruction of unfit United States paper currency, was from the Treasury-Post Office Appropriation Act, 1956, and was not repeated in subsequent appropriation acts.

Similar provisions were contained in the following prior appropriation act: May 28, 1954, ch. 242, title I, 68 Stat. 144.

Section 364, act Sept. 26, 1970, Pub. L. 91-422, title II, 84 Stat. 875, which related to reimbursement of Federal Reserve banks and branches for expenditures as fiscal agents of the United States on account of Post Office Department operations, was from the Treasury, Post Office, and Executive Office Appropriation Act, 1971, and was not repeated in subsequent appropriation acts.

SUBCHAPTER X—POWERS AND DUTIES OF
MEMBER BANKS

§ 371. Real estate loans

(a) **Authorization to make real estate loans; orders, rules, and regulations of Comptroller of the Currency**

Any national banking association may make, arrange, purchase or sell loans or extensions of credit secured by liens on interests in real estate, subject to section 1828(o) of this title and such restrictions and requirements as the Comptroller of the Currency may prescribe by regulation or order.

(b) **Eligibility for discount as commercial paper of notes representing loans financing construction of residential or farm buildings; prerequisites**

Notes representing loans made under this section to finance the construction of residential or farm buildings and having maturities not to exceed nine months shall be eligible for discount as commercial paper within the terms of the first paragraph of section 343 of this title if accompanied by a valid and binding agreement to advance the full amount of the loan upon the completion of the building entered into by an individual, partnership, association, or corporation acceptable to the discounting bank.

(Dec. 23, 1913, ch. 6, §24, 38 Stat. 273; Sept. 7, 1916, ch. 461, 39 Stat. 754; Feb. 25, 1927, ch. 191, §16, 44 Stat. 1232; June 27, 1934, ch. 847, §505, 48 Stat. 1263; Aug. 23, 1935, ch. 614, title II, §208, title III, §328, 49 Stat. 706, 717; Mar. 28, 1941, ch. 31, §8, 55 Stat. 62; July 22, 1937, ch. 517, §15(a), as added Aug. 14, 1946, ch. 964, §5, 60 Stat. 1079; May 25, 1948, ch. 334, §9, 62 Stat. 265; Oct. 25, 1949, ch. 729, §6, 63 Stat. 906; Apr. 20, 1950, ch. 94, title V, §502, 64 Stat. 80; Sept. 1, 1951, ch. 378, title II, §207, title V, §503, 65 Stat. 303, 312; Aug. 15, 1953, ch. 510, 67 Stat. 613; July 22, 1954, ch. 561, 68 Stat. 525; Aug. 28, 1937, ch. 870, §10(f), as added Aug. 17, 1954, ch. 751, §1(4), 68 Stat. 736; Aug. 11, 1955, ch. 781, §§1, 2, 69 Stat. 633, 634; Pub. L. 85-536, §3, July 18, 1958, 72 Stat. 396; Pub. L. 86-251, §4, Sept. 9, 1959, 73 Stat. 489; Pub. L. 87-70, title VIII, §804(c), title IX, §902, June 30, 1961, 75 Stat. 188, 191; Pub. L. 87-717, Sept. 28, 1962, 76 Stat. 662; Pub. L. 88-341, June 30, 1964, 78 Stat. 233; Pub. L. 88-560, title X, §1004, Sept. 2, 1964, 78 Stat. 807; Pub. L. 89-117, title II, §201(b)(2), title XI, §1111, Aug. 10, 1965, 79 Stat. 465, 509; Pub. L. 89-754, title V, §504(a)(2), Nov. 3, 1966, 80 Stat. 1277; Pub. L. 90-19, §26, May 25, 1967, 81 Stat. 28; Pub. L. 90-448, title IV, §416(b), title XVII, §1718, Aug. 1, 1968, 82 Stat. 518, 609; Pub. L. 91-351, title VII, §704, July 24, 1970, 84 Stat. 462; Pub. L. 91-609, title VII, §727(c), Dec. 31, 1970, 84 Stat. 1803; Pub. L. 93-383, title VII, §711, title VIII, §802(i)(1), Aug. 22, 1974, 88 Stat. 716, 725; Pub. L. 97-320, title IV, §403(a), Oct. 15, 1982, 96 Stat. 1510; Pub. L. 102-242, title III, §304(b), Dec. 19, 1991, 105 Stat. 2354.)

AMENDMENTS

1991—Subsec. (a). Pub. L. 102-242 substituted “section 1828(o) of this title and such restrictions and requirements as the Comptroller of the Currency may prescribe by regulation or order” for “such terms, conditions, and limitations as may be prescribed by the

Comptroller of the Currency by order, rule, or regulation”.

1982—Subsec. (a). Pub. L. 97-320 amended subsec. (a) generally. Prior to amendment subsec. (a) read as follows:

“(1) Any national banking association may make real estate loans, secured by liens upon unimproved real estate, upon improved real estate, including improved farmland and improved business and residential properties, and upon real estate to be improved by a building or buildings to be constructed or in the process of construction, in an amount which when added to the amount unpaid upon prior mortgages, liens, encumbrances, if any, upon such real estate does not exceed the respective proportions of appraised value as provided in this section. A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument, which shall constitute a lien on real estate in fee or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold under a lease which does not expire for at least ten years beyond the maturity date of the loan, and any national banking association may purchase or sell any obligations so secured in whole or in part. The amount of any such loan hereafter made shall not exceed 66⅔ per centum of the appraised value if such real estate is unimproved, 75 per centum of the appraised value if such real estate is improved by off-site improvements such as streets, water, sewers, or other utilities, 75 per centum of the appraised value if such real estate is in the process of being improved by a building or buildings to be constructed or in the process of construction, or 90 per centum of the appraised value if such real estate is improved by a building or buildings. If any such loan exceeds 75 per centum of the appraised value of the real estate or if the real estate is improved with a one- to four-family dwelling, installment payments shall be required which are sufficient to amortize the entire principal of the loan within a period of not more than thirty years.

“(2) The limitations and restrictions set forth in paragraph (1) shall not prevent the renewal or extension of loans heretofore made and shall not apply to real estate loans (A) which are insured under the provisions of the National Housing Act [12 U.S.C. 1701 et seq.], (B) which are insured by the Secretary of Agriculture pursuant to title I of the Bankhead-Jones Farm Tenant Act, or the Act of August 28, 1937, as amended, or title V of the Housing Act of 1949, as amended, [42 U.S.C. 1471 et seq.], or (C) which are guaranteed by the Secretary of Housing and Urban Development, for the payment of the obligations of which the full faith and credit of the United States is pledged, and such limitations and restrictions shall not apply to real estate loans which are fully guaranteed or insured by a State, or any agency or instrumentality thereof, or by a State authority for the payment of the obligations of which the faith and credit of the State is pledged, if under the terms of the guaranty or insurance agreement the association will be assured of repayment in accordance with the terms of the loan, or to any loan at least 20 per centum of which is guaranteed under chapter 37 of title 38, or to obligations guaranteed under section 1440 of title 42.

“(3) Loans which are guaranteed or insured as described in paragraph (2) shall not be taken into account in determining the amount of real estate loans which a national banking association may make in relation to its capital and surplus or its time and savings deposits or in determining, the amount of real estate loans secured by other than first liens. Where the collateral for any loan consists partly of real estate security and partly of other security, including a guaranty or endorsement by or an obligation or commitment of a person other than the borrower, only the amount by which the loan exceeds the value as collateral of such other security shall be considered a loan upon the security of real estate, and in no event shall a loan be considered as a real estate loan where there is a valid and binding