

## § 264a.6

are not exclusive, and a senior examiner who violates the restrictions in § 264a.3 also may be subject to other administrative, civil or criminal remedies or penalties as provided in law.

[70 FR 69638, Nov. 17, 2005, as amended at 76 FR 56606, Sept. 13, 2011]

### § 264a.6 What other definitions and rules of construction apply for purposes of this part?

For purposes of this part—

(a) *Bank holding company* means any company that controls a bank (as provided in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*)).

(b) A person shall be deemed to act as a *consultant* for a bank or other company only if such person works directly on matters for, or on behalf of, such bank or other company.

(c) *Control* has the meaning given in section 2 of the Bank Holding Company Act, with respect to banking holding companies, and has the meaning given in section 10 of the Home Owners' Loan Act, with respect to savings and loan holding companies.

(d) *Depository institution* has the meaning given in section 3 of the FDI Act and includes an uninsured branch or agency of a foreign bank, if such branch or agency is located in any State.

(e) *Federal Reserve* means the Board of Governors of the Federal Reserve System and the Federal Reserve Banks.

(f) *Foreign bank* means any foreign bank or company described in section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)).

(g) *Insured depository institution* has the meaning given in section 3 of the FDI Act.

(h) *Savings and loan holding company* means any company that controls a savings association (as provided in section 10 of the Home Owners' Loan Act (12 U.S.C. 1461 *et seq.*))

[70 FR 69638, Nov. 17, 2005, as amended at 76 FR 56606, Sept. 13, 2011]

## 12 CFR Ch. II (1–1–12 Edition)

### PART 264b—RULES REGARDING FOREIGN GIFTS AND DECORATIONS

Sec.

264b.1 Purpose and scope.

264b.2 Definitions.

264b.3 Restrictions on acceptance of gifts and decorations.

264b.4 Gifts of minimal value.

264b.5 Gifts of more than minimal value.

264b.6 Requirements for gifts of more than minimal value.

264b.7 Decorations.

264b.8 Disposition or retention of gifts and decorations deposited with the Office of the Secretary.

264b.9 Enforcement.

264b.10 Certain grants excluded.

AUTHORITY: 5 U.S.C. 552, 7342; 12 U.S.C. 248(i).

SOURCE: 68 FR 68721, Dec. 10, 2003, unless otherwise noted.

#### § 264b.1 Purpose and scope.

These rules govern when Board employees, their spouses, and their dependents may accept and retain gifts and decorations from foreign governments under the Foreign Gifts and Decorations Act of 1966, as amended (5 U.S.C. 7342) (“Act”).

#### § 264b.2 Definitions.

When used in this part, the following terms have the meanings indicated:

(a) *Board employees* means:

(1) Members of the Board of Governors of the Federal Reserve System (“Board”), officers, and other employees of the Board, including experts or consultants while employed by, and acting on behalf of, the Board; and

(2) Spouses (unless separated) or dependents (within the meaning of section 152 of the Internal Revenue Code of 1986 (26 U.S.C. 152)) of such persons.

(b) *Foreign government* means:

(1) Any unit of foreign governmental authority, including any foreign national, State, local, or municipal government;

(2) Any international or multinational organization whose membership is composed of any unit of foreign government as described in paragraph (b)(1) of this section; and

(3) Any agent or representative of any such unit or organization, while acting as such.

## Federal Reserve System

## § 264b.5

(c) *Gift* means a tangible or intangible present (other than a decoration) tendered by, or received from, a foreign government.

(d) *Decoration* means an order, device, medal, badge, insignia, emblem, or award tendered by, or received from, a foreign government.

(e) *Minimal value* means retail value in the United States at the time of acceptance of \$285 or less as of January 1, 2002, and at 3-year intervals thereafter, as redefined in regulations prescribed by the Administrator of General Services, in consultation with the Secretary of State, to reflect changes in the consumer price index for the immediately preceding 3-year period.

(f) *Administrative Governor* means the Board member serving as the Administrative Governor and includes persons designated by the Administrative Governor to exercise the authority granted under this part in the governor's absence.

### § 264b.3 Restrictions on acceptance of gifts and decorations.

(a) Board employees are prohibited from requesting or otherwise encouraging the tender of a gift or decoration from a foreign government.

(b) Board employees are prohibited from accepting a gift or decoration from a foreign government, except in accordance with this part.

### § 264b.4 Gifts of minimal value.

(a) Board employees may accept and retain a gift of minimal value tendered and received as a souvenir or mark of courtesy. If more than one tangible gift is presented at or marks an event, the value of all such gifts must not exceed "minimal value." If tangible gifts are presented at or mark separate events, their value must not exceed "minimal value" for each event, but may exceed "minimal value" for all events, even if the events occur on the same day.

(b) Board employees may determine at the time a gift is offered whether it is of minimal value, or they may submit an accepted gift as soon as practicable to the Office of the Secretary for valuation.

(c) Disagreements over whether a gift is of minimal value will be resolved by an independent appraisal under proce-

dures established by the Office of the Secretary.

### § 264b.5 Gifts of more than minimal value.

(a) *Educational scholarships or medical treatment.* Board employees may accept and retain gifts of more than minimal value when such gifts are in the nature of an educational scholarship or medical treatment.

(b) *Travel or travel expenses.* Board employees may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if appropriate, consistent with the interests of the United States, and permitted by the Board under paragraph (b)(1) or (b)(2) of this section.

(1) Board employees may accept gifts of travel or expenses for travel under paragraph (b) of this section in accordance with specific instructions of the Board, as evidenced by the prior approval of the Administrative Governor. Board employees must request prior approval under procedures established by the Office of the Secretary.

(2) Board employees may accept gifts of travel or expenses for travel under paragraph (b) of this section without the prior approval of the Administrative Governor if such expenses are reported under § 264b.6(b) and the Administrative Governor approves their acceptance after the fact. Board employees must personally repay gifts of travel or expenses for travel of more than minimal value that are not approved by the Administrative Governor.

(c) *Other gifts.* (1) Board employees may typically regard the refusal of gifts of more than minimal value at the inception (when offered or received without a prior offer) as consistent with the interests and general policy of the United States.

(2) Board employees may accept gifts of more than minimal value when it appears that refusal would likely cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States. Tangible gifts are considered to have been accepted on behalf of the United States and become the property of the United States on acceptance. Accordingly, they must be

## § 264b.6

deposited and documented in accordance with § 264b.6(a) and can only be returned or otherwise processed by the Office of the Secretary under § 264b.8.

### § 264b.6 Requirements for gifts of more than minimal value.

(a) *Tangible gifts.* Board employees must deposit tangible gifts of more than minimal value with the Office of the Secretary within 60 days of acceptance and assist in preparing a statement that contains the following information for each gift:

(1) The name and position of the Board employee;

(2) A brief description of the gift and the circumstances justifying acceptance;

(3) The identity, if known, of the foreign government and the name and position of the individual who presented the gift;

(4) The date of acceptance of the gift;

(5) The estimated value in the United States of the gift at the time of acceptance; and

(6) The disposition or current location of the gift.

(b) *Travel or travel expenses without prior approval.* Board employees who accept a gift of travel or expenses for travel under § 264b.5(b)(2) without the prior approval of the Administrative Governor must submit a report to the Office of the Secretary within 30 days of acceptance that contains the following information:

(1) The name and position of the Board employee;

(2) A brief description of the gift, including its estimated value, and the circumstances justifying acceptance; and

(3) The identity, if known, of the foreign government and the name and position of the individual who presented the gift.

(c) *Reports to the Secretary of State.* The Office of the Secretary must report the information contained in the statements described in paragraphs (a) and (b) of this section to the Secretary of State, who must publish in the FEDERAL REGISTER not later than January 31 of each year a comprehensive listing of all such statements for gifts of more than minimal value that were received

## 12 CFR Ch. II (1–1–12 Edition)

by federal employees during the preceding year.

### § 264b.7 Decorations.

(a) Board employees may accept, retain, and wear a decoration tendered or awarded by a foreign government in recognition of active field service in time of combat operations or for other outstanding or unusually meritorious performance, subject to the approval of the Administrative Governor. Requests for approval must be submitted to the Office of the Secretary and contain a statement of the circumstances surrounding the award and include any accompanying documentation. The recipient may retain the decoration pending action on the request.

(b) Decorations accepted by Board employees without the approval of the Administrative Governor are considered to have been accepted on behalf of the United States and must be deposited within 60 days of the decoration's acceptance with the Office of the Secretary for disposition or retention under § 264b.8.

### § 264b.8 Disposition or retention of gifts and decorations deposited with the Office of the Secretary.

(a) The Office of the Secretary may dispose of gifts and decorations deposited under §§ 264b.6(a) and 264b.7(b) by returning them to the donors or by handling them in accordance with instructions from the General Services Administration under applicable law.

(b) The Office of the Secretary may approve and retain gifts and decorations deposited under §§ 264b.6(a) and 264b.7(b) for official use. The Office of the Secretary must dispose of a gift within 30 days of the termination of its official use in accordance with instructions from the General Services Administration under applicable law.

### § 264b.9 Enforcement.

(a) The Administrative Governor, after consultation with the General Counsel, must report to the Attorney General cases in which there is reason to believe that a Board employee has violated the Act.

(b) The Attorney General may bring a civil action in any district court of

## Federal Reserve System

## § 265.3

the United States against a Board employee who knowingly solicits or accepts a gift from a foreign government in violation of the Act, or who fails to deposit or report such a gift as required by the Act. The court may assess a maximum penalty of the retail value of a gift improperly solicited or received plus \$5,000.

### § 264b.10 Certain grants excluded.

This part does not apply to grants and other forms of assistance to which §108A of the Mutual Educational and Cultural Exchange Act of 1961 applies. See 22 U.S.C. 2458a.

## PART 265—RULES REGARDING DELEGATION OF AUTHORITY

Sec.

- 265.1 Authority, purpose, and scope.
- 265.2 Delegation of functions generally.
- 265.3 Board review of delegated actions.
- 265.4 Functions delegated to Board members.
- 265.5 Functions delegated to Secretary of the Board.
- 265.6 Functions delegated to General Counsel.
- 265.7 Functions delegated to Director of Division of Banking Supervision and Regulation.
- 265.8 Functions delegated to the Staff Director of the Division of International Finance.
- 265.9 Functions delegated to the Director of Division of Consumer and Community Affairs.
- 265.10 Functions delegated to Secretary of Federal Open Market Committee.
- 265.11 Functions delegated to Federal Reserve Banks.

AUTHORITY: 12 U.S.C. 248(i) and (k).

SOURCE: 56 FR 25619, June 5, 1991, unless otherwise noted.

### § 265.1 Authority, purpose, and scope.

(a) Pursuant to section 11(k) of the Federal Reserve Act (12 U.S.C. 248(k)), the Board of Governors of the Federal Reserve System (the "Board") may delegate, by published order or rule, any of its functions other than those relating to rulemaking or pertaining principally to monetary and credit policies to Board members and employees, Reserve Banks, or administrative law judges. Pursuant to section 11(i) of the Federal Reserve Act (12 U.S.C. 248(i)), the Board may make all rules and reg-

ulations necessary to enable it to effectively perform the duties, functions, or services specified in that Act. Pursuant to section 5(b) of the Bank Holding Company Act (12 U.S.C. 1844(b)), the Board is authorized to issue such regulations and orders as may be necessary to enable it to administer and carry out the purposes of this Act and prevent evasions thereof. Other provisions of Federal law also may authorize specific delegations by the Board.

(b) The Board's Rules Regarding Delegation of Authority (12 CFR part 265) detail the responsibilities that the Board has delegated. The table of contents, titles, and headings that appear in these rules are used solely for their descriptive convenience. Section 265.4 addresses the specific functions delegated to Board members. The functions that have been delegated to Board employees are set forth in §§ 265.5, 265.6, 265.7, 265.8, and 265.9. The functions that have been delegated to the Secretary of the Federal Open Market Committee are set forth in § 265.10. The functions that have been delegated to the Reserve Banks are set forth in § 265.11. Provisions for review of any action taken pursuant to delegated authority are found in § 265.3. Except as otherwise indicated in these rules, the Board will review a delegated action only if a Board member, at his or her own initiative, requests a review.

### § 265.2 Delegation of functions generally.

(a) The Board has determined to delegate authority to exercise the functions described in this part.

(b) The Chairman of the Board shall assign responsibility for performing such delegated functions.

### § 265.3 Board review of delegated actions.

(a) *Request by Board member.* The Board shall review any action taken at a delegated level upon the vote of one member of the Board, either on the member's own initiative or on the basis of a petition for review by any person claiming to be adversely affected by the delegated action.

(b) *Petition for review.* A petition for review of a delegated action must be received by the Secretary of the Board