graph (3) for any violation, practice, or breach described in such paragraph is—

(A) in the case of any person other than a member bank, an amount not to exceed $1,000,000; and

(B) in the case of a member bank, an amount not to exceed the lesser of—

(i) $1,000,000; or

(ii) 1 percent of the total assets of such member bank.

(5) Assessment; etc.

Any penalty imposed under paragraph (1), (2), or (3) may be assessed and collected by the Board in the manner provided in subparagraphs (E), (F), (G), and (I) of section 1818(i)(2) of this title for penalties imposed (under such section) and any such assessment shall be subject to the provisions of such section.

(6) Hearing

The member bank or other person against whom any penalty is assessed under this section shall be afforded an agency hearing if such member bank or person submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 1818(h) of this title shall apply to any proceeding under this section.

(7) Disbursement

All penalties collected under authority of this section shall be deposited into the Treasury.

(8) "Violate" defined

For purposes of this section, the term ''violate'' includes any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

(9) Regulations

The Board shall prescribe regulations establishing such procedures as may be necessary to carry out this section.

(Dec. 23, 1913, ch. 6, § 19(*l*), formerly § 19(j), as added Pub. L. 95–630, title I, § 102, Nov. 10, 1978, 92 Stat. 3642; renumbered § 19(*l*), Pub. L. 96–221, title I, § 105(f), Mar. 31, 1980, 94 Stat. 140; amended Pub. L. 97–320, title IV, § 424(a), (d)(2), (e), Oct. 15, 1982, 96 Stat. 1522, 1523; Pub. L. 101–73, title IX, § 907(h), Aug. 9, 1989, 103 Stat. 472.)

REFERENCES IN TEXT

This section, referred to in pars. (1) and (8), means section 19 of act Dec. 23, 1913, which is classified to sections 142, 371b, 371b–1, 374, 374a, 461, 463 to 466, 505, and 506 of this title.

AMENDMENTS

1989—Pub. L. 101–73 amended section generally, revising and restating as pars. (1) to (9) provisions of former pars. (1) to (7) which related to civil penalty respecting depository, reserve, etc., requirements; amount; hearing; review; action by Attorney General; and regulations.

1982—Par. (1). Pub. L. 97–320, § 424(a), (d)(2), inserted proviso giving Board discretionary authority to compromise, etc., any civil money penalty imposed under this section, and substituted ''may be assessed'' for ''shall be assessed''.

Par. (4). Pub. L. 97–320, § 424(e), substituted ''twenty days from the service'' for ''ten days from the date''.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101–73 applicable to conduct engaged in after Aug. 9, 1989, except that increased maximum penalties of $5,000 and $25,000 may apply to conduct engaged in before such date if such conduct is not already subject to a notice issued by the appropriate agency and occurred after completion of the last report of the examination of the institution by the appropriate agency occurring before Aug. 9, 1989, see section 907(*l*) of Pub. L. 101–73, set out as a note under section 93 of this title.

EFFECTIVE DATE

Section effective with respect to violations occurring or continuing after Nov. 10, 1978, see section 109 of Pub. L. 95–630 set out as an Effective Date of 1978 Amendment note under section 93 of this title.

§ 506. Notice after separation from service

The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 1813(u) of this title) with respect to a member bank (including a separation caused by the closing of such a bank) shall not affect the jurisdiction and authority of the Board to issue any notice and proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such bank (whether such date occurs before, on, or after August 9, 1989).

(Dec. 23, 1913, ch. 6, § 19(m), as added Pub. L. 101–73, title IX, § 905(g), Aug. 9, 1989, 103 Stat. 461.)

REFERENCES IN TEXT

This section, referred to in text, means section 19 of act Dec. 23, 1913, which is classified to sections 142, 371b, 371b–1, 374, 374a, 461, 463 to 466, 505, and 506 of this title.

SUBCHAPTER XVII—RESERVE-BANK BRANCHES

§ 521. Reserve-bank branches; establishment; directors; discontinuance of branches; approval for erection of branch bank building

The Board of Governors of the Federal Reserve System may permit or require any Federal reserve bank to establish branch banks within the Federal reserve district in which it is located or within the district of any Federal reserve bank which may have been suspended. Such branches, subject to such rules and regulations as the Board of Governors of the Federal Reserve System may prescribe, shall be operated under the supervision of a board of directors to consist of not more than seven nor less than three directors, of whom a majority of one shall be appointed by the Federal reserve bank of the district, and the remaining directors by the Board of Governors of the Federal Reserve System. Directors of branch banks shall hold office during the pleasure of the Board of Governors of the Federal Reserve System.

The Board of Governors of the Federal Reserve System may at any time require any Federal reserve bank to discontinue any branch of such Federal reserve bank established under this section. The Federal reserve bank shall thereupon proceed to wind up the business of such branch bank, subject to such rules and regulations as the Board of Governors of the Federal Reserve System may prescribe.

No Federal Reserve bank shall have authority hereafter to enter into any contract or contracts