

Fiscal Service, Treasury

§ 380.0

message to submitters of offers by the close of the business day of the redemption operation.

(b) *Confirmation of customer offers.* If you submit a successful offer for a customer, you are responsible for notifying that customer of the impending redemption.

§ 375.23 How does the securities delivery process work?

If any of the offers you submitted are accepted, you must transfer the correct book-entry Treasury securities in the correct par amount against the correct settlement amount on the settlement date. You must deliver the securities to the account specified in the redemption operation announcement.

Subpart D—Miscellaneous Provisions

§ 375.30 Does the Treasury have any discretion in this process?

- (a) We have the discretion to:
- (1) Accept or reject any offers or tenders submitted in a redemption operation;
 - (2) Redeem less than the amount of securities specified in the redemption operation announcement;
 - (3) Add to, change, or waive any provision of this part; or
 - (4) Change the terms and conditions of a redemption operation.

(b) Our decisions under this part are final. We will provide a public notice if we change any redemption operation provision, term or condition.

§ 375.31 What could happen if someone does not fully comply with the redemption operation rules or fails to deliver securities?

(a) *General.* If a person or entity fails to comply with any of the redemption operation rules in this part, we will consider the circumstances and take what we deem to be appropriate action. This could include barring the person or entity from participating in future redemption operations under this part and future auctions under 31 CFR part 356. We also may refer the matter to an appropriate regulatory agency.

(b) *Liquidated damages.* If you fail to deliver securities on time, we may require you to pay liquidated damages of

up to 1% of your projected settlement amount.

PART 380—COLLATERAL ACCEPTABILITY AND VALUATION

Subpart A—General Information

Sec.

380.0 What do these regulations govern?

380.1 What special definitions apply to this part?

Subpart B—Acceptable Collateral and Its Valuation

380.2 What collateral may I pledge if I am a depository or a financial agent of the Government under 31 CFR part 202, and what value will you assign to it?

380.3 What collateral may I pledge if I am a Treasury Tax and Loan depository under 31 CFR part 203, and what value will you assign to it?

380.4 What collateral may I pledge instead of a surety bond under 31 CFR part 225, and what value will you assign to it?

Subpart C—Miscellaneous Provisions

380.5 Where can I find current information, and who can I contact for additional guidance and interpretation?

AUTHORITY: 12 U.S.C. 90, 265–266, 332, 391, 1452(d), 1464(k), 1767, 1789a, 2013, 2122, 3101–3102; 26 U.S.C. 6302; 31 U.S.C. 321, 323, 3301–3304, 3336, 9301, 9303.

SOURCE: 73 FR 75590, Dec. 12, 2008, unless otherwise noted.

Subpart A—General Information

§ 380.0 What do these regulations govern?

The regulations in this part govern the types of acceptable collateral that you may pledge to secure deposits of public monies and other financial interests of the Federal Government, as well as the valuation of that collateral. Specifically, the regulations in this part apply to the programs governed by the Department of the Treasury's regulations at 31 CFR part 202 (Depositories and Financial Agents of the Government), 31 CFR part 203 (Payment of Federal Taxes and the Treasury Tax and Loan Program), and 31 CFR part 225 (Acceptance of Bonds Secured by Government Obligations in Lieu of Bonds with Sureties). The regulations