

§ 81.95

required in connection with the redemption of a Book-entry GSE Security.

[61 FR 63948, Dec. 2, 1996, as amended at 62 FR 28977, May 28, 1997]

§ 81.95 Authority of Federal Reserve Banks.

(a) Each Federal Reserve Bank is hereby authorized as fiscal agent of the GSEs to perform the following functions with respect to the issuance of Book-entry GSE Securities offered and sold by a GSE to which this subpart H applies, in accordance with the Securities Documentation, Federal Reserve Bank Operating Circulars, this subpart H, and procedures established by the Secretary consistent with these authorities:

(1) To service and maintain Book-entry GSE Securities in accounts established for such purposes;

(2) To make payments with respect to such securities, as directed by the GSE;

(3) To effect transfer of Book-entry GSE Securities between Participants' Securities Accounts as directed by the Participants;

(4) To effect conversions between Book-entry GSE Securities and Definitive GSE Securities with respect to those securities as to which conversion rights are available pursuant to the applicable Securities Documentation; and

(5) To perform such other duties as fiscal agent as may be requested by the GSE.

(b) Each Federal Reserve Bank may issue Operating Circulars not inconsistent with this subpart H, governing the details of its handling of Book-entry GSE Securities, Security Entitlements, and the operation of the book-entry system under this subpart H.

§ 81.96 Withdrawal of Eligible Book-entry GSE Securities for conversion to definitive form.

(a) Eligible Book-entry GSE Securities may be withdrawn from the Book-entry System by requesting delivery of like Definitive GSE Securities.

(b) A Reserve bank shall, upon receipt of appropriate instructions to withdraw Eligible Book-entry GSE Securities from book-entry in the Book-

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entry System, convert such securities into Definitive GSE Securities and deliver them in accordance with such instructions. No such conversion shall affect existing interests in such GSE Securities.

(c) All requests for withdrawal of Eligible Book-entry GSE Securities must be made prior to the maturity or date of call of the securities.

(d) GSE Securities which are to be delivered upon withdrawal may be issued in either registered or bearer form, to the extent permitted by the applicable Securities Documentation.

[61 FR 63948, Dec. 2, 1996, as amended at 62 FR 28977, May 29, 1997]

§ 81.97 Waiver of regulations.

The Secretary reserves the right in the Secretary's discretion, to waive any provision(s) of these regulations in any case or class of cases for the convenience of a GSE, the United States, or in order to relieve any person(s) of unnecessary hardship, if such action is not inconsistent with law, does not adversely affect any substantial existing rights, and the Secretary is satisfied that such action will not subject a GSE or the United States to any substantial expense or liability.

§ 81.98 Liability of GSEs and Federal Reserve Banks.

A GSE and the Federal Reserve Banks may rely on the information provided in a Transfer Message, and are not required to verify the information. A GSE and the Federal Reserve Banks shall not be liable for any action taken in accordance with the information set out in a Transfer Message, or evidence submitted in support thereof.

§ 81.99 Additional provisions.

(a) *Additional requirements.* In any case or any class of cases arising under these regulations, a GSE may require such additional evidence and a bond of indemnity, with or without surety, as may in the judgment of the GSE be necessary for the protection of the interests of the GSE.

(b) *Notice of attachment for GSE Securities in Book-entry system.* The interest of a debtor in a Security Entitlement may be reached by a creditor only by