

Procedures for Allocation of Securities in the System Open Market Account

As amended effective March 28, 1995

1. Securities in the System Open Market Account shall be reallocated at least once each year as determined by the Board's Division of Reserve Bank Operations and Payment Systems and the manager of the System Open Market Account, for the purpose of settling inter-District clearings and approximately equalizing for each Federal Reserve Bank the ratio of gold certificate holdings to Federal Reserve notes outstanding.
2. Until the next reallocation, the account shall be apportioned on the basis of the ratios determined in paragraph 1.
3. Profits and losses on the sale of securities from the account shall be allocated on the day of delivery of the securities sold on the basis of each Federal Reserve Bank's current holdings at the opening of business on that day.