

(e) Nothing in this section shall preclude a director from refraining, to the extent consistent with responsibilities imposed upon the directors by the Federal Reserve Act, from participation in a particular matter. The Board hereby gives notice of its intention to undertake a continuing review of the experience of Reserve Bank boards under this regulation with a view to assuring preservation of and adherence to the intent of both the Federal Reserve Act and 18 U.S.C. 208, as amended. In the course of such review, particular attention will be given to the provisions of this section.

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

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

SOURCE: 44 FR 64399, Nov. 7, 1979, unless otherwise noted.

### §264b.1 Purpose and scope.

This regulation implements the 1977 Amendments to the Foreign Gifts and Decorations Act, Pub. L. 95-105, which restricts Board Members' and employees' acceptance of foreign gifts and decorations. The restrictions apply to gifts whether they are tangible or intangible. Different rules apply depending on whether the gift has only "minimal value." There are also rules regarding acceptance of decorations from foreign governments.

### §264b.2 Definitions.

(a) The term *Board Members and employees* means:

(1) Members of the Board of Governors of the Federal Reserve System, officers, and other employees of the Board;

(2) Consultants while employed by the Board; and acting on behalf of the Board; and

(3) Spouses and dependents of Board Members, officers, employees, and consultants as defined in this section.

(b) The term *foreign government* means any unit of a foreign governmental authority (or its agent or representative), including any foreign, national, state, local, or municipal government, and any international or multinational organization whose membership is composed of any such units.

(c) The term *decoration* means an order, device, medal, badge, insignia, emblem, or award.

### §264b.3 Foreign gifts.

Except as provided below, Board Members and employees shall not request, or otherwise encourage the tender of, or accept, or retain, a tangible or intangible gift from a foreign government.

(a) *Gifts of minimal value.* If not otherwise prohibited by Board regulations, Board members and employees may accept and retain a tangible or intangible gift of minimal value, intended as a souvenir or mark of courtesy, from a foreign government. A gift of minimal value is one having a retail value in the United States at the time of acceptance not in excess of \$225 (or such higher amount established in 41 CFR part 101-49).

(b) *Educational scholarships or medical treatment.* Board Members and employees may accept and retain a gift of more than minimal value from a foreign government when such gift is in the nature of an educational scholarship or medical treatment.

(c) *Tangible gifts of more than minimal value.* A tangible gift of more than minimal value tendered by a foreign government may be accepted when it appears that to refuse the gift would likely cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States. Such a gift accepted under these circumstances is deemed to have been accepted on behalf of the United States, and, upon acceptance, it shall become the property of the United States. Within 60 days after accepting a gift under these circumstances the member

or employee must deposit the gift with the Secretary of the Board.

(d) *Travel or expenses for travel.* Board Members and 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 such acceptance is appropriate, consistent with the interests of the United States, and is permitted by the Board. Requests for Board approval of acceptance of such expenses shall be submitted to the Vice Chairman of the Board, or, if the Vice Chairman is unavailable, to the Board's Administrative Governor.

[44 FR 64399, Nov. 7, 1979, as amended at 55 FR 3576, Feb. 2, 1990; 55 FR 11360, Mar. 28, 1990; 58 FR 57730, Oct. 27, 1993; 59 FR 12805, Mar. 18, 1994]

#### **§ 264b.4 Foreign decorations.**

Board Members and employees may accept, retain, and wear a decoration tendered in recognition of active field service in time of combat operations or awarded for other outstanding or unusually meritorious performance by a foreign government, subject to the approval of the Board. Without this approval, the decoration is deemed to have been accepted on behalf of the United States, shall become the property of the United States, and shall be deposited by the Board Member or employee, within 60 days of acceptance, with the Secretary of the Board for official use or disposal. Requests for Board approval of acceptance of such decorations shall be submitted in advance to the Vice Chairman of the Board.

#### **§ 264b.5 Disposal of foreign gifts and decorations.**

Within 30 days after a tangible gift or decoration is deposited for disposal with the Secretary of the Board, the gift or decoration shall be returned to the donor, or shall be forwarded to the Administrator of General Services for transfer, donation, or other disposal in accordance with applicable law, or shall be retained for official use of the Board.

#### **§ 264b.6 Official use of foreign gifts and decorations.**

A foreign gift or decoration deposited with the Secretary of the Board may, with the approval of the Board, be retained for official Board use. The Secretary shall insure that, whenever possible, "official board use" of such a gift will benefit the greatest number of Board employees and/or the public. Within 30 days after terminating the "official use" of a foreign gift, the Board shall report the termination of the official use to the Administrator of the General Services, in accordance with applicable GSA regulations.

#### **§ 264b.7 Reporting requirements.**

(a) When a Board Member or employee deposits a tangible gift or decoration of more than minimal value for disposal or for official use, or within 30 days after a Board Member or employee accepts travel or travel expenses as provided in this section, the Board Member or employee shall file a statement with the Secretary of the Board containing the information prescribed in paragraphs (b) and (c) that follow.

(b) For each tangible gift or decoration deposited with the Secretary of the Board, a Board Member or employee shall file a statement which shall include the following information:

(1) The name and position of the employee;

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

(3) The identity 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;

(6) Disposition or current location of the gift; and

(7) An indication whether the Board Member or employee is interested in participating in the sale of the tangible gift or decoration if it is sold by the General Services Administration.

(c) For each gift of travel or travel expenses accepted, a Board Member or employee shall file a statement which