

Discounts.

(g) buy and sell or rediscount bills of exchange and promissory notes endorsed by a chartered bank drawn or issued in connection with the production or marketing of goods, wares and merchandise as defined in the Bank Act, excepting those mentioned in paragraph (h) 5 of this subsection, and having a maturity not exceeding three months from the date of acquisition by the Bank;

(h) buy and sell or rediscount bills of exchange and promissory notes endorsed by a chartered bank, drawn 10 or issued in connection with the production or marketing of products of agriculture, the forest, the quarry and mine, or the sea, lakes and rivers, as defined in the Bank Act, and having a maturity not exceeding six months from the date of acquisition by the Bank; 15 provided that the Bank may by regulation limit to a percentage of its total assets the amount of such paper having a maturity in excess of three months but not exceeding six months from the date of acquisition by the Bank; 20

Loans and advances.

(i) make loans or advances for periods not exceeding three months to chartered banks on the pledge or hypothecation of the foregoing classes of securities, bills of exchange or promissory notes, or of Canadian municipal securities, or of gold or silver coin or bullion, 25 or documents of title relating thereto;

(j) make loans or advances to the Dominion government or the government of any province on the pledge or hypothecation of readily marketable securities issued or guaranteed by the Dominion of Canada or any 30 province;

(k) make loans to the Dominion Government or the government of any province, but such loans outstanding at any one time shall not, in the case of the Dominion Government, exceed one-third of the esti- 35 mated revenue of such government for its fiscal year, and shall not in the case of any provincial government exceed one-fourth of such government's estimated revenue for its fiscal year; and such loans shall be repaid before the end of the first quarter after the 40 end of the fiscal year of such government;

Open market operations.

(l) for the purpose of its open market operations, buy and sell in the open market from or to any person, either in or outside of Canada, securities, cable transfers, bankers' acceptances, promissory notes and bills 45 of exchange of the kinds and maturities defined in, and subject to the limitations, if any, contained in, paragraphs (b), (c), (d), (e), (g) and (h) of this subsection with or without the endorsement of a char- 50 tered bank;