

(y) 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 (a) of this subsection, and having a maturity not exceeding three months from the date of acquisition by the bank;

(A) 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 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; provided that the bank may by regulation limit to a percentage of the total assets the amount of such loans having a maturity in excess of three months but not exceeding six months from the date of acquisition by the bank;

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

(3) 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 province;

(4) make loans to the Dominion Government or the government of any province, but such loans not standing at any one time shall not in the case of the Dominion Government exceed one-half of the net rated 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 end of the fiscal year of such government;

(5) 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, bank cheques, promissory notes and bills of exchange of the kind and maturities defined in and subject to the limitations if any contained in paragraphs (1), (2), (3), (4) and (5) of this subsection with or without the endorsement of a chartered bank;

Discretion

Limitation

Open market operations