

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 11281
October 30, 2000]

**Nomination of Directors
For Terms of Office Ending December 31, 2003**

To the Member Banks of the Second Federal Reserve District:

An election will be held under the provisions of section 4 of the Federal Reserve Act, as amended, to choose successors, to serve for three-year terms, to the following directors of this Bank whose terms will expire December 31, 2000: class A director, WALTER V. SHIPLEY, Retired Chairman of the Board, The Chase Manhattan Corporation, New York, N.Y.; and class B director, EUGENE R. MCGRATH, Chairman, President and Chief Executive Officer, Consolidated Edison Company of New York, Inc., New York, N.Y.

Both directors were elected by member banks in Group 1 and their successors will be chosen by this group. Member banks in Groups 2 and 3 will not participate in this election.

The classification of member banks for the purposes of nomination and election of class A and B directors of the Federal Reserve Bank of New York is as follows:

Group 1 consists of banks with capital and surplus of more than \$1 billion;

Group 2, of banks with capital and surplus of \$30 million to \$1 billion, inclusive; and

Group 3, of banks with capital and surplus of less than \$30 million.

For the purposes of this election, a member bank's classification will be determined by its capital and surplus as of the date of this circular, even though its capital and surplus may change before the polls close. The list of banks comprising Group 1 is on page 3.

Except in the case of any member banks that are subsidiaries of the same bank holding company,* each member bank in Group 1 is permitted to nominate one candidate for class A director

*** Section 4 of the Federal Reserve Act, as amended, reads in part as follows:**

“... That whenever any member banks within the same Federal Reserve district are subsidiaries of the same bank holding company within the meaning of the Bank Holding Company Act of 1956, participation in any such nomination or election by such member banks, including such bank holding company if it is also a member bank, shall be confined to one of such banks, which may be designated for the purpose by such holding company.”

Pursuant to the foregoing provision, a nomination by any bank that is a subsidiary of a bank holding company having other subsidiaries in the same voting group cannot be accepted unless there is on file with this Bank evidence that such bank has been so designated. Accordingly, banks affected by the foregoing provision of the law are requested to take prompt action to have the appropriate bank holding company designate, if it has not already designated, one of such banks to participate in this nomination and election.

If such bank holding company does not have on file with this Bank an appropriate resolution either permanently designating one of such banks to participate in nominations or elections of this Bank's directors or setting forth the authority under which such designations will be made from time to time, such bank holding company may wish to file such resolution with this Bank. A form of resolution authorizing officers of a bank holding company to make such designations is enclosed to be used where appropriate.

and one candidate for class B director.† The nominations should be made by resolutions of the boards of directors of the nominating banks (or by resolutions of the banks' executive committees, if such committees are empowered to take such action), and certified copies of such resolutions should be sent to this Bank so as to reach this Bank on or before 3 p.m. on Monday, December 4, 2000. The enclosed printed forms show the appropriate form of resolution; one executed copy of *each* form should be returned to this Bank in the envelope provided for that purpose.

On December 6, 2000, copies of the list of candidates (indicating by whom nominated) and preferential ballots will be mailed to the banks in Group 1. The law provides that the ballots shall be cast within 15 days after receipt of this list. The polls will open at 10 a.m., December 7, 2000, and will close at 12 noon on Friday, December 22, 2000. Upon the closing of the polls, the ballot box will be opened, the votes counted and checked by tellers, and the results of the election announced. The candidates may, if they so desire, be present or represented on that occasion.

In order to be counted as valid, the ballot must be executed by an officer authorized to cast the vote and must be received by this Bank at or before the time fixed for the closing of the polls (i.e., at or before 12 noon on Friday, December 22, 2000). The officers heretofore designated for this purpose by each bank in Group 1 are shown on the list on page 3. Any Group 1 bank that desires to change its authorization should do so by resolution of its board of directors; a certified copy of such resolution must reach this Bank before the polls close. A form for this purpose is also enclosed.

Because banks in Groups 2 and 3 will not participate in this election, this circular is sent to them without forms and for their information only.

PETER G. PETERSON,
Chairman of the Board.

† Section 4 of the Federal Reserve Act, as amended, reads in part as follows:

“Class A shall consist of three members, without discrimination on the basis of race, creed, color, sex, or national origin, who shall be chosen by and be representative of the stockholding banks. . . . No officer or director of a member bank shall be eligible to serve as a class A director unless nominated and elected by banks which are members of the same group as the member bank of which he is an officer or director.”

“Any person who is an officer or director of more than one member bank shall not be eligible for nomination as a class A director except by banks in the same group as the bank having the largest aggregate resources of any of those of which such person is an officer or director.”

“Class B shall consist of three members, who shall represent the public and shall be elected without discrimination on the basis of race, creed, color, sex, or national origin, and with due but not exclusive consideration to the interests of agriculture, commerce, industry, services, labor, and consumers. . . . No director of class B shall be an officer, director, or employee of any bank.”

“No Senator or Representative in Congress shall be a member of the Board of Governors of the Federal Reserve System or an officer or a director of a Federal reserve bank.”

[The Board of Governors of the Federal Reserve System has expressed the opinion that it is inappropriate, as a general rule, for directors of Federal Reserve Banks to hold partisan political or public office in the service of the United States, or of any State, Territory, county, district, political subdivision, or municipality thereof, to act as members of political party committees, or to serve as officers or directors of political action committees or as members of the governing bodies of such committees. The System's policy is to avoid any situations that might give the appearance of associating the Reserve Banks with political activities.]

[The Board of Directors of the Federal Reserve Bank of New York has resolved that all persons who stand for election as Class A or Class B directors shall be citizens of the United States.]

Election of Directors

For Terms of Office Ending December 31, 2003

List of the 7 Member Banks in Group 1

(Group 1 consists of member banks with capital and surplus of more than \$1 billion, as of October 30, 2000.)

NEW YORK

<u>Place</u>	<u>Name of Bank or Trust Company</u>	<u>Officers Authorized to Cast Vote</u>
Buffalo	HSBC Bank USA	Chairman of the Board, President, or Secretary
	Manufacturers and Traders Trust Company	Chief Executive Officer, any Vice President, or Secretary

NEW YORK CITY

<u>Place</u>	<u>Name of Bank or Trust Company</u>	<u>Officers Authorized to Cast Vote</u>
Manhattan	The Bank of New York	Chairman of the Board, President, Senior Executive Vice President, or any Executive Vice President
	Bankers Trust Company	Chairman of the Board, Vice Chairman, any Executive Vice President, any Managing Director, any Senior Vice President, or Secretary
	The Chase Manhattan Bank	Secretary
	Citibank, N.A.	Chairman of the Board, Chairman of the Executive Committee, any Vice Chairman, President, any Executive Vice President, any Senior Vice President, any Vice President, or Cashier
	Morgan Guaranty Trust Company of New York	Chairman of the Board, a Vice Chairman, President, any Vice President, a Cashier, or the Secretary

DIRECTORS OF THE FEDERAL RESERVE BANK OF NEW YORK

Elected by Banks in Group	Name and Occupation	Class	Term Expires Dec. 31
1	Walter V. Shipley Retired Chairman of the Board The Chase Manhattan Corporation New York, N.Y.	A	2000
2	T. Joseph Semrod Chairman and Chief Executive Officer Summit Bancorp Princeton , N.J.	A	2001
3	George W. Hamlin, IV President and Chief Executive Officer The Canandaigua National Bank and Trust Company Canandaigua, N.Y.	A	2002
1	Eugene R. McGrath Chairman, President, and Chief Executive Officer Consolidated Edison Company of New York, Inc. New York, N.Y.	B	2000
2	Ronay Menschel President, Phipps Houses New York, N.Y.	B	2001
3	Ann M. Fudge Executive Vice President, Kraft Foods, Inc., and President, Coffee & Cereals Division Tarrytown, N.Y.	B	2002
Appointed by the Board of Governors of the Federal Reserve System	Charles A. Heimbald, Jr. (Deputy Chairman) Chairman and Chief Executive Officer Bristol-Myers Squibb Company New York, N.Y.	C	2000
	Peter G. Peterson (Chairman) Chairman The Blackstone Group New York, N.Y.	C	2001
	Albert J. Simone President Rochester Institute of Technology Rochester, N.Y.	C	2002