

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. **11761**
January 23, 2006]

**Nomination of Class B Director
For Unexpired Portion of Term Ending December 31, 2006**

To the Member Banks of the Second Federal Reserve District:

A special election will be held under the provisions of section 4 of the Federal Reserve Act, as amended, to fill the vacancy in the office of Class B director of this Bank for the unexpired portion of the term ending December 31, 2006. DENIS M. HUGHES, who formerly held this office, has accepted an appointment from the Board of Governors as a Class C director of this Bank.

The director was elected by member banks in Group 1 and his successor 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 are listed on page 3.

Except in the case of any member banks that are subsidiaries of the same bank holding com-

*** 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.

pany,* each member bank in Group 1 is permitted to nominate one candidate for class B director of this Bank.† 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, February 27, 2006. The enclosed printed form shows the appropriate form of resolution; one executed copy of the form should be returned to this Bank in the envelope provided for that purpose.

On March 1, 2006, 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., March 2, 2006, and will close at 12 noon on Friday, March 17, 2006. Upon the closing of the polls, the ballot box will be opened, the votes counted and checked by tellers, and the result 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, March 17, 2006). 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.

JOHN E. SEXTON,
Chairman of the Board.

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

“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.]

Special Election of Class B Director

For Unexpired Portion of Term Ending December 31, 2006

List of the 9 Member Banks in Group 1

(Group 1 consists of member banks with capital and surplus of more than \$1 billion, as of January 23, 2006.)

NEW YORK		
<u>Place</u>	<u>Name of Bank or Trust Company</u>	<u>Officers Authorized to Cast Vote</u>
Albany	Citizens Bank, N. A.
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	Banco Popular North America
	The Bank of New York	Chairman of the Board, President, Senior Executive Vice President, or any Executive Vice President
	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
	Deutsche Bank Trust Co. Americas	Chairman of the Board, Vice Chairman, any Executive Vice President, any Managing Director, any Senior Vice President, or Secretary
	JP Morgan Chase Bank, N. A.	Chairman of the Board, Chief Executive Officer, General Counsel, or Secretary
NEW JERSEY		
<u>Place</u>	<u>Name of Bank or Trust Company</u>	<u>Officers Authorized to Cast Vote</u>
Jersey City	Mizuho Corporate Bank (USA)

DIRECTORS OF THE FEDERAL RESERVE BANK OF NEW YORK

Elected by Banks in Group	Name and Occupation	Class	Term Expires Dec. 31
1	Sanford I. Weill Chairman Citigroup Inc. New York, NY	A	2006
2	Jill M. Considine Chairman and Chief Executive Officer The Depository Trust Company New York, NY	A	2007
3	Charles V. Wait President, Chief Executive Officer and Chairman The Adirondack Trust Company Saratoga Springs, NY	A	2008
1	Vacancy	B	2006
2	Richard S. Fuld, Jr. Chairman and Chief Executive Officer Lehman Brothers Holdings Inc. New York, NY	B	2007
3	Jeffrey R. Immelt Chairman and Chief Executive Officer General Electric Company Fairfield, CT	B	2008
Appointed by the Board of Governors of the Federal Reserve System	John E. Sexton (Chairman) President New York University New York, NY	C	2007
	Jerry I. Speyer (Deputy Chairman) President and Chief Executive Officer Tishman Speyer Properties New York, NY	C	2006
	Denis M. Hughes President New York State AFL-CIO New York, NY	C	2008