

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, November 5, 1954

NOMINATION AND ELECTION OF DIRECTORS
(By Member Banks in Groups 1 and 2)

The member banks in **Group 3** will not participate in this election, and this circular is sent to them without forms for their information only.

To the Member Banks in Groups 1 and 2
in the Eleventh Federal Reserve District:

In accordance with the provisions of Section 4 of the Federal Reserve Act, and my circular letter dated September 27, 1954, in regard to the election of directors of this bank to succeed Mr. P. P. Butler, Class A director, and Mr. D. A. Hulcy, Class B director, whose terms will expire December 31, 1954, there are listed in this circular the names of the individuals nominated, together with the names of the banks nominating them.

Accompanying this circular is a ballot upon which you should record your vote, together with the necessary envelopes for use in sending your ballot to me. Please follow carefully the instructions which are printed on the ballot and on the envelopes.

The vote of your bank may be cast only by an officer whose authorization by the Board of Directors to vote in these elections has been certified to me as indicated on the list in my circular letter of September 27, 1954, or subsequently changed by a certified authorization. If you so desire, you may change your authorization by the proper action of your Board of Directors, but any such change must be certified to me before the close of the polls.

The polls will open on November 8, 1954, and close at 2:00 P.M. on November 23, 1954. Consequently, your ballot must be received here not later than 2:00 P.M., November 23, 1954, at which time the ballot box will be opened in the Board Room of this bank, the votes counted, and the results of the election announced. The nominees are invited to be present or represented on that occasion.

Each member bank entitled to vote in this election is urged to do so. Please mark your ballot carefully and send it to me in the enclosed envelope at your earliest convenience after the opening of the polls.

Yours very truly,

J. R. PARTEN

Chairman of the Board

IMPORTANT

Please read carefully the instructions herein contained and the form of preferential ballot enclosed. Unless a ballot of a voting member bank is prepared, authenticated, and cast in strict accordance with said instructions, the election tellers will have no option except to disregard such ballot.

The ballot of each member bank must be cast by an officer previously empowered to do so by action of its Board of Directors, certified to me upon forms furnished for the purpose.

My circular letter of September 27, 1954, giving notice of this election, contained a list of member banks in Groups 1 and 2, showing the officers who were then authorized to cast votes in directors' elections. Unless a bank has since changed its authorization, by corporate action duly certified to me, no officer, except as designated on that list, can cast a vote in behalf of his bank.

Under the procedure for the election by member banks of Federal Reserve Bank directors, the vote will be by secret ballot, and no one will know the vote of any bank. As there will be no opportunity for any prior inspection of ballots for irregularities, the officer casting the ballot is requested to use special care in its preparation.

For your information, there are quoted below extracts from Section 4 of the Federal Reserve Act which set forth the method of balloting and the manner in which the votes are to be counted:

"Within fifteen days after receipt of the list of candidates the duly authorized officer of a member bank shall certify to the chairman his first, second, and other choices for director of class A and class B, respectively, upon a preferential ballot upon a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each such officer shall make a cross opposite the name of the first, second, and other choices for a director of class A and for a director of class B, but shall not vote more than one choice for any one candidate. 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.

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"Any candidate having a majority of all votes cast in the column of first choice shall be declared elected. If no candidate have a majority of all the votes in the first column, then there shall be added together the votes cast by the electors for such candidates in the second column and the votes cast for the several candidates in the first column. The candidate then having a majority of the electors voting and the highest number of combined votes shall be declared elected. If no candidate have a majority of electors voting and the highest number of votes when the first and second choices shall have been added, then the votes cast in the third column for other choices shall be added together in like manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be declared.

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". . . whenever any two or more member banks within the same Federal reserve district are affiliated with the same holding company affiliate, participation by such member banks in any such nomination or election shall be confined to one of such banks, which may be designated for the purpose by such holding company affiliate."

The member banks in the Eleventh Federal Reserve District are grouped as follows for the purpose of electing Class A and Class B directors of the Federal Reserve Bank of Dallas: Group 1 consists of banks with capital and surplus of \$1,200,000 and over; Group 2 consists of banks with capital and surplus of over \$200,000 and less than \$1,200,000; and Group 3 consists of banks with capital and surplus of \$200,000 and less.

Please forward your ballot so that it will reach this office on or before 2:00 P.M., November 23, 1954. If the ballot is received after that time, it cannot be counted.

NOMINEE FOR CLASS A DIRECTOR

SAM D. YOUNG

President

El Paso National Bank

El Paso, Texas

Mr. Young was born in Woodville, Texas, November 15, 1896, where he attended the local schools. He started his banking career as a messenger in the employ of the Gulf National Bank in Beaumont, Texas, now the First National Bank. He served in almost every department of the bank and was Collection Teller at the time of his resignation in 1917 to enlist in the Air Corps at Kelly Field. At the close of World War I, he held a commission as Second Lieutenant.

He returned to the First National Bank at Beaumont for a short time, resigning in February 1919 to accept an appointment as State Bank Examiner. He was assigned to the El Paso, Houston, San Antonio, Fort Worth, and Dallas districts.

In the fall of 1921, Mr. Young accepted an appointment from the office of the Comptroller of the Currency and served as Receiver of banks in Oklahoma, Texas, and New Mexico and in 1925 went to El Paso to liquidate the National Border Bank.

In June of that year, he completed the organization of the El Paso National Bank and became its Executive Vice President. He was elected to the presidency in 1944 and in 1952 became Chairman of the Board as well.

Mr. Young is a director of Hilton Hotels Corporation, Chicago; Hotel Waldorf-Astoria Corporation, New York; Hilton Hotels International, Inc., New York; Texas and Pacific Railway Company, Dallas; General American Life Insurance Company, St. Louis; El Paso Times, El Paso; and he is President of the Board of Trustees, Providence Memorial Hospital, El Paso.

He is active in community affairs in the El Paso Southwest and is a member of the Masonic Lodge, Knights Templar, Scottish Rite, and El Maida Temple of the Shrine. He is a member of the First Presbyterian Church of El Paso.

Mr. Young is a farmer and cattleman, in addition to being a banker, for he owns and operates holdings in the valley of the Rio Grande just below El Paso.

Nominated by the Following Banks in Group 1:

TEXAS

Beaumont.....The American National Bank of Beaumont
Beaumont.....The First National Bank of Beaumont
Dallas.....First National Bank in Dallas
Dallas.....Mercantile National Bank at Dallas
Dallas.....Republic National Bank of Dallas
Dallas.....Texas Bank & Trust Company of Dallas
El Paso.....The State National Bank of El Paso
Fort Worth.....Continental National Bank of Fort Worth
Fort Worth.....The First National Bank of Fort Worth
Houston.....Citizens State Bank
Houston.....The City National Bank of Houston
Houston.....First National Bank in Houston
Houston.....The National Bank of Commerce of Houston
Houston.....The Second National Bank of Houston
Houston.....Texas National Bank of Houston
Midland.....The First National Bank of Midland
Midland.....Midland National Bank
Port Arthur.....The First National Bank of Port Arthur
San Antonio.....The Frost National Bank of San Antonio
Wichita Falls.....City National Bank in Wichita Falls
Wichita Falls.....First National Bank of Wichita Falls

NOMINEE FOR CLASS B DIRECTOR

D. A. HULCY

Chairman of the Board and President
Lone Star Gas Company
President
Lone Star Producing Company
Dallas, Texas

Mr. Hulcy was born November 13, 1892, on a farm in the Nesbitt community near Franklin in Robertson County in East Texas. The family moved to DeQueen, Arkansas, when he was eight years of age. In 1909, Mr. Hulcy went to work as a messenger boy for the International Great Northern Railroad at Palestine. In 1911, when the general accounting offices were moved to Houston, Mr. Hulcy chose to remain in Palestine and joined The Texas Company's distribution plant.

From 1912 to 1919, he worked for the Texas State Railroad and advanced to the position of auditor. In order to get medical treatment for his son, Mr. Hulcy moved to Dallas in 1920, at which time he obtained employment in the Accounting Department of the Lone Star Gas Company. Coming up through the ranks, he was made Executive Vice President in 1936 and took over the presidency on February 12, 1940. He was named Chairman of the Board of Directors in January 1952.

In 1948, Mr. Hulcy was given the Linz Award, which is presented annually to a Dallas citizen for outstanding community service; he was named Salesman of the Year 1951 by the Dallas Sales Executive Club. He holds honorary Doctor of Laws degrees from Texas Wesleyan College in Fort Worth and from North Texas State College in Denton. He was President of the Dallas Chamber of Commerce for three consecutive terms, has served as Drive Chairman and President of the Dallas Community Chest, and is past President of Circle Ten Council, Boy Scouts of America. At one time, he served simultaneously as President of Lone Star Gas Company, the American Gas Association, and the Chamber of Commerce of the United States. He has long been active in the affairs of the Kessler Park Methodist Church in Dallas and is past Chairman of its Board of Stewards.

Mr. Hulcy is presently on the National Petroleum Council and the Gas Industry Advisory Council and is a member of the Executive Board of the Southwestern Legal Foundation, Southwestern Medical Foundation, Southwest Business Foundation, Texas Research Foundation, the American Petroleum Institute, and the Dallas City-County Hospital System and of the Executive Committee of Southern Methodist University.

Nominated by the Following Banks in Group 2:

NEW MEXICO

Roswell.....The First National Bank of Roswell

TEXAS

Albany.....The First National Bank of Albany
Bay City.....Bay City Bank & Trust Company
Brownfield.....Brownfield State Bank & Trust Company
Cameron.....The Citizens National Bank of Cameron
Corsicana.....First National Bank of Corsicana
Corsicana.....State National Bank of Corsicana
Dallas.....Industrial National Bank of Dallas
Dallas.....National Bank of Commerce
Dallas.....Oak Lawn National Bank of Dallas
Denison.....The State National Bank of Denison
Denton.....The Denton County National Bank of Denton
Gainesville.....The Gainesville National Bank in Gainesville
Gonzales.....Gonzales State Bank
Greenville.....Citizens National Bank of Greenville
Greenville.....Greenville National Exchange Bank
Harlingen.....The First National Bank of Harlingen
Hillsboro.....The Citizens National Bank of Hillsboro
Hondo.....The Hondo National Bank
Houston.....Fidelity Bank and Trust Company
Houston.....The Harrisburg National Bank
Houston.....Heights State Bank
Houston.....South Main State Bank
Jacksonville.....The First National Bank of Jacksonville
Laredo.....Union National Bank of Laredo
Marshall.....The First National Bank of Marshall
Mexia.....First National Bank of Mexia
Nacogdoches.....The Stone Fort National Bank of Nacogdoches
New Braunfels.....The First National Bank of New Braunfels
Palestine.....Royall National Bank
San Angelo.....The Central National Bank of San Angelo
Sonora.....First National Bank
Sweetwater.....National Bank of Sweetwater
Taylor.....The City National Bank
Taylor.....First-Taylor National Bank
Teague.....First National Bank of Teague
Terrell.....The American National Bank of Terrell
Vernon.....Herring National Bank
Waco.....National City Bank
Waxahachie.....Citizens National Bank in Waxahachie
Weatherford.....The Merchants and Farmers State Bank of Weatherford