

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75265-5906

Notice 96-39
April 23, 1996

SPECIAL ELECTION OF CLASS B DIRECTOR NOMINATION PROCEDURES

To All Member Banks In the Eleventh Federal Reserve District:

A special election will be held under the provisions of Section 4 of the Federal Reserve Act to choose a successor to Peyton Yates. Mr. Yates resigned as a Class B Director effective April 12, 1996, to pursue other interests. His successor will be elected to fill the unexpired portion of a three-year term ending December 31, 1997.

Mr. Yates was elected by the banks in Group 1 (consisting of banks having capital and surplus of \$10,000,000 and over), and his successor will be chosen by the banks in this group. The banks comprising Group 1 are listed on the following pages.

The group in which a member bank will be entitled to vote will be determined by its classification as of the date of this letter, even though its capital and surplus may subsequently change prior to the date of the election.

Except in the case of any member banks that are subsidiaries of the same bank holding company,* each bank in Group 1 is permitted to nominate one candidate for Class B Director. When several banks are subsidiaries of a bank holding company, the nomination form is being sent only to the bank designated to participate in this election; therefore, banks in Group 1 that will not participate in this election are being sent this notice, without forms, for their information. **The nominations must be made by resolution of the Board of Directors, certified to me and received in my office on or before May 24, 1996.** A form and return envelope for this purpose are enclosed. On June 5, a list of the candidates (indicating the nominating banks) and a preferential ballot will be mailed to each bank in the voting group. The ballot must be cast within 15 days after receipt. The polls will open at 9 a.m. on June 12, and close at 2 p.m. on June 27. At that time, the ballot box will be opened at this Bank, the votes counted, and the results of the election announced. The candidates are invited to be present or represented on that occasion.

In order to be counted, the ballot must be executed by an officer authorized to cast the vote. The officers so authorized by their bank are listed on the following pages. The authority conferred on these officers continues until revoked; they need not be redesignated. Each member bank which has not designated an officer, or officers, for the purpose of signing the ballot, or any bank that desires to change its designation, should do so by resolution of its Board of Directors and certify the designation to me before the polls close. A form for this purpose will be furnished upon request. **If the official signature of the officer, or officers, authorized to cast the ballot has not been filed with this Federal Reserve Bank, that official signature should be filed before the polls close.**

*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."

The Board of Governors of the Federal Reserve System has ruled that a holding company affiliate, having one or more subsidiary banks in each of the three groups into which member banks of a Federal Reserve district are divided for the purpose of electing directors, may designate one such bank in each group to participate in the nomination and election of each Class A Director and each Class B Director chosen by the group of which such bank is a member and such member bank so designated may validly participate in such nomination and election. **Accordingly, banks in Group 1 affected by this provision of law are requested to take prompt action to have the appropriate bank holding company designate, if it has not already designated, one of its banks to participate in this election.**

While the banks in Group 2 (consisting of banks having capital and surplus of over \$2,500,000, but under \$10,000,000) and Group 3 (consisting of banks having capital and surplus of \$2,500,000 and under) will not vote in this election, this notice is sent to them, without forms, for their information.

Sincerely yours,

A handwritten signature in cursive script that reads "Cece Smith". The signature is written in black ink and is positioned centrally below the "Sincerely yours," text.

Chairman of the Board

Enclosures (2)

**Information Concerning Eligibility for
Class B Directorship of a Federal Reserve Bank**

Section 4 of the Federal Reserve Act, as amended by the Federal Reserve Reform Act of 1977, contains the following provisions: "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, to be consistent with the spirit and underlying principles of the Federal Reserve Act, it is inappropriate, as a general rule, for officers and directors of Federal Reserve Banks and Branches 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, or to act as members of political party committees."

GROUP 1

Consists of all member banks having capital and surplus of \$10,000,000 and over.

Banks in this group elect one Class B Director.

LOUISIANA

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Minden	Minden Bank & Trust Company	President
Monroe	Central Bank	President, Vice President, Cashier
Shreveport	Commercial National Bank in Shreveport	Chairman, President, Vice President, Cashier

NEW MEXICO

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Las Cruces	First National Bank of Dona Ana County	President, Vice President, Cashier

TEXAS

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Abilene	First National Bank of Abilene	Chairman, President, Vice President, Cashier
Amarillo	Amarillo National Bank	Chairman, President, Vice President, Cashier
Amarillo	Boatmen's First National Bank of Amarillo	President, Cashier
Amarillo	First Bank Southwest, N.A.	President
Bay City	Norwest Bank Texas, Bay City, N.A.	Chairman, President, Vice President, Cashier
Bellaire	Citizens National Bank of Texas	President
Brownsville	The Mercantile Bank, N.A.	Chairman, President, Cashier
Dallas	Alliance Trust Company, N.A.	*

GROUP 1 — Continued

TEXAS — Continued

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
Dallas	Bank One, Texas, National Association	Chairman
Dallas	Fidelity Bank, National Association	William C. Murphy, Chairman and President; Edward D. Mahon, Executive Vice President; Virginia L. Anderson, Secretary
Dallas	NationsBank of Texas, N.A.	Chairman, President
Dallas	Northern Trust Bank of Texas, N.A.	President
Dallas	Texas Independent Bank	President, Chief Executive Officer
Dallas	U.S. Trust Company of Texas, National Association	Chairman, President, Senior Vice President
El Paso	Bank of the West	Chairman
El Paso	Norwest Bank El Paso, N.A.	President
El Paso	Sun World, N.A.	*
Fort Worth	Overton Bank and Trust, National Association	President
Grand Prairie	Riverside National Bank	Vice Chairman, President
Grapevine	First National Bank of Grapevine	Chairman, President, Vice President, Cashier
Henderson	Citizens National Bank	Cashier
Houston	BankTEXAS, National Association	Chairman, President, Vice President, Cashier
Houston	Charter National Bank - Houston	President
Houston	First Interstate Bank of Texas, N.A.	President, Chairman of the Executive Committee
Houston	MetroBank, National Association	Chairman, President, Vice President, Cashier
Houston	Northwest Bank, National Association	*
Houston	Southwest Bank of Texas, N.A.	Chairman, President, Vice President, Cashier
Houston	Texas Commerce Bank National Association	Chairman, President, Vice President, Cashier
Huntsville	First National Bank of Huntsville	Chairman, President, Vice President, Cashier
Irving	Bank of America Texas, N.A.	Richard Levy, Vice President
Kerrville	Norwest Bank Texas, Kerrville, N.A.	Chairman, President, Vice President, Cashier
Kilgore	Kilgore First National Bank	President, Cashier
Laredo	The Laredo National Bank	President, Vice President
Laredo	Union National Bank of Texas	Chairman, President
Longview	Longview National Bank	Vice President, Cashier
Lubbock	Norwest Bank Texas, National Association	President, Vice President, Cashier
Lubbock	The Plains National Bank of Lubbock	Alan White, Chairman; John C. Owens, President; DeWayne V. Pierce, Senior Executive Vice President
Lufkin	Lufkin National Bank	Chairman, President, Vice President
McAllen	Texas State Bank	Chairman, President, Cashier
Midland	Norwest Bank Texas Midland National Association	*
Midlothian	Surety Bank, National Association	Chairman, President, Vice President, Cashier
Palestine	The First National Bank of Palestine	President, Vice President, Cashier
San Angelo	Texas Commerce Bank - San Angelo, National Association	President, Cashier
San Antonio	Broadway National Bank	Chairman, President, Vice President, Cashier
San Antonio	Caminoreal Bank, N.A.	Chairman, President and Chief Executive Officer
San Antonio	The Frost National Bank	President, Vice President, Cashier
San Antonio	Groos Bank, National Association	Chairman, President, Vice President, Cashier
Tyler	Tyler Bank & Trust, National Association	Neil S. West, Chairman
Victoria	First Victoria National Bank	Chairman, President, Vice President, Cashier
Waco	Norwest Bank Texas, Waco, National Association	President
Weatherford	Texas Bank	President
Wichita Falls	Norwest Bank Texas, Wichita Falls, National Association	President, Cashier

Directors of the Federal Reserve Bank of Dallas
As of April 23, 1996

Name	Occupation	Elected by Banks in Group	Class	Term Expires Dec. 31
Gayle M. Earls	President and Chief Executive Officer, Texas Independent Bank, Dallas, Texas	1	A	1996
Dudley K. Montgomery	President and Chief Executive Officer, The Security State Bank of Pecos Pecos, Texas	2	A	1998
Kirk A. McLaughlin	President and Chief Executive Officer, Security Bank, Ralls, Texas	3	A	1997
VACANCY		1	B	1997
J. B. Cooper, Jr.	Farmer, Roscoe, Texas	2	B	1996
Milton Carroll	Chairman of the Board and Chief Executive Officer, Instrument Products, Inc., Houston, Texas	3	B	1998
Cece Smith	General Partner, Phillips-Smith Specialty Retail Group, Dallas, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1997
<i>Chairman</i>				
Roger R. Hemminghaus	Chairman of the Board, President, and Chief Executive Officer, Diamond Shamrock, Inc., San Antonio, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1998
<i>Deputy Chairman</i>				
James A. Martin	Second General Vice President, International Association of Bridge, Structural & Ornamental Iron Workers, Austin, Texas	Appointed by the Board of Governors of the Federal Reserve System	C	1996

**Certificate of Nomination for Class B Director
FEDERAL RESERVE BANK OF DALLAS**

Chairman, Board of Directors
Federal Reserve Bank of Dallas

At a meeting of the Board of Directors of the

.....
(Name of Bank)

of.....
(City or Town) (State)

duly called and held on the.....day of....., 19.....,

on motion duly made and seconded it was

"RESOLVED, That....., of.....,

whose occupation is.....,

be, and he is hereby nominated as a candidate for director of Class B of the Federal Reserve Bank of Dallas and the Cashier [or other authorized officer] is hereby authorized, empowered, and directed to certify his name to the Chairman of the Board of Directors of the Federal Reserve Bank of Dallas as the nominee of this bank in accordance with the provisions of Section 4 of the Federal Reserve Act."

(IMPRINT SEAL)

I hereby certify that the foregoing is a true and correct copy of a resolution of the Board of Directors of this bank duly adopted on the date specified.

.....
Cashier [or other authorized officer]

The first part of the paper discusses the importance of understanding the underlying mechanisms of the observed phenomena. It is crucial to identify the factors that influence the system's behavior and to develop a theoretical framework that can explain the observed results. This involves a combination of experimental data and theoretical modeling.

In the second part, we present the experimental setup and the results obtained from the measurements. The data shows a clear trend that can be explained by the proposed model. The results are consistent with the theoretical predictions, which provides confidence in the model's validity.

The third part of the paper focuses on the analysis of the data and the comparison with the theoretical model. It is found that the model accurately describes the observed behavior, and the parameters of the model can be determined from the experimental data. This allows for a quantitative comparison between the theory and the experiment.

Finally, the paper concludes with a summary of the findings and a discussion of the implications of the results. The study highlights the importance of understanding the underlying mechanisms of the system and the need for further research in this area. The results provide a foundation for future work and can be used to guide the design of new experiments.