

FEDERAL RESERVE BANK OF NEW YORK

Circular No. 765
February 7, 1927
Reference to Circular No. 760

Special Election of Class B Director Of Federal Reserve Bank of New York

To all Member Banks in the Second Federal Reserve District:

Terms of Directors

Under the Federal Reserve Act, the relevant provisions of which may be found on the third page of this circular, each Federal Reserve Bank has nine directors, three of each class (A, B and C), who serve for three years each, and whose terms are so arranged that the terms of three directors, one of each class, expire each year. Class A and Class B directors are elected by the member banks; Class C directors are designated by the Federal Reserve Board.

On January 13, 1927, Owen D. Young, formerly a Class B director, was appointed by the Federal Reserve Board as a Class C director and Deputy Chairman of the board of directors of the Federal Reserve Bank of New York to succeed William Lawrence Saunders whose term expired on December 31, 1926. In order to accept this appointment, Mr. Young resigned his position as a Class B director of the bank, an office to which he was elected in the autumn of 1925 by member banks in Group 1 for a second term of three years expiring on December 31, 1928. Under the terms of the law, the vacancy that has thus occurred will be filled in the manner provided for the original selection of a Class B director, such director to hold office for the unexpired term of his predecessor. *An election of a Class B director, whose term will expire on December 31, 1928, therefore becomes necessary.*

Banks Which Vote in This Election

The Act requires that for the purpose of elections the member banks in each district shall be divided into three groups. The Federal Reserve Board, accordingly, has grouped the member banks in this district as follows:

Group 1, Banks having capital and surplus in excess of \$1,999,000.

Group 2, Banks having capital and surplus not exceeding \$1,999,000 and not below \$201,000.

Group 3, Banks having capital and surplus below \$201,000.

Since Mr. Young was elected by Group 1, only this group will participate in the coming special election of a Class B director as his successor, but this circular is sent to all member banks in the district for their information. The banks in Group 1 are listed on the last page.

Nomination Procedure

The directors of each member bank in Group 1 may nominate one candidate for director of Class B. Member banks in Group 1 will find enclosed blank forms for use as follows:

1. CERTIFICATE OF NOMINATION FOR CLASS B DIRECTOR, 1927. (Printed on blue paper.)

Under the terms of the Act, "no director of Class B shall be an officer, director, or employee of any bank," and at the time of his election a Class B director shall be actively engaged in his district "in commerce, agriculture, or some other industrial pursuit." This nomination also requires the adoption of a resolution by the board of directors of the voting member bank, and an appropriate blank form of resolution is enclosed herewith (blue form). When signed by the cashier and *stamped with the seal* of the bank it should be forwarded in the enclosed envelope.

2. DESIGNATION OF OFFICER AUTHORIZED TO CAST VOTE OF MEMBER BANK. (Printed on white paper.)

The designation of an officer to cast the vote of the member bank may be made either by amendment to a bank's by-laws or by the adoption of a resolution by the board of directors. The resolution is the more convenient method and an appropriate blank form of resolution is enclosed herewith (white form). While we now have on file old designations from most of the banks of the district, errors will be avoided if each bank in the group voting sends us with its nomination a new designation of its voting officer. *This resolution should be signed by the designated officer, and by another officer, stamped with the seal of the bank, and returned in the enclosed envelope.*

On March 12, 1927 the period in which nominations of directors may be made will terminate and nominations received after twelve o'clock noon of that day will not be listed.

Voting Procedure

The Federal Reserve Board has fixed March 16, 1927 as the date for opening the polls.

On March 14, 1927 there will be mailed to all member banks in the district for their information a list of those nominated for Class B director, with the names of the banks nominating them. There will also be enclosed to all banks in Group 1, a preferential ballot, providing for the recording of first, second and other choices for a Class B director.

It is mandatory under the Federal Reserve Act that within fifteen days from the receipt of said list and ballot every member bank in Group 1 shall, by its duly authorized officer, record its vote.

On or about April 4, 1927 the results of the election will be announced.

Yours very truly,

OWEN D. YOUNG,
Deputy Chairman.

Extracts from Section 4 of the Federal Reserve Act as Amended

Every Federal reserve bank shall be conducted under the supervision and control of a board of directors. * *

Such board of directors shall be selected as hereinafter specified and shall consist of nine members, holding office for three years, and divided into three classes, designated as classes A, B, and C.

Class A shall consist of three members, who shall be chosen by and be representative of the stock holding banks.

Class B shall consist of three members, who at the time of their election shall be actively engaged in their district in commerce, agriculture or some other industrial pursuit.

Class C shall consist of three members who shall be designated by the Federal Reserve Board. * *

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

No director of Class B shall be an officer, director, or employee of any bank.

No director of Class C shall be an officer, director, employee, or stockholder of any bank.

Directors of Class A and Class B shall be chosen in the following manner:

The Federal Reserve Board shall classify the member banks of the district into three general groups or divisions, designating each group by number. Each group shall consist as nearly as may be of banks of similar capitalization. Each member bank shall be permitted to nominate to the chairman of the board of directors of the Federal reserve bank of the district one candidate for director of Class A and one candidate for director of Class B. The candidates so nominated shall be listed by the chairman, indicating by whom nominated, and a copy of said list shall, within fifteen days after its completion, be furnished by the chairman to each member bank. Each member bank by a resolution of the board or by an amendment to its by-laws shall authorize its president, cashier, or some other officer to cast the vote of the member bank in the elections of Class A and Class B directors.

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.

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.

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. If any candidate then have a majority of the electors voting, by adding together the first and second choices, he shall be declared elected. If no candidate have a majority of electors voting 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. * *

Vacancies that may occur in the several classes of directors of Federal reserve banks may be filled in the manner provided for the original selection of such directors, such appointees to hold office for the unexpired terms of their predecessors.

1927 Special Election of Class B Director
List of 71 Banks Composing Group 1, Second Federal Reserve District

CONNECTICUT

Place	Bank or Trust Company	Capital and Surplus
Bridgeport	City National Bank	\$2,250,000
	First National Bank	2,500,000

NEW JERSEY

Jersey City	Commercial Trust Company	3,500,000
	First National Bank	2,500,000
	The New Jersey Title Guarantee and Trust Company	2,300,000
Newark	Federal Trust Company	6,000,000
	Fidelity Union Trust Company	9,000,000
	Guardian Trust Company	7,500,000
	Merchants & Manufacturers National Bank	2,700,000
Passaic	National Newark & Essex Banking Company	3,500,000
	Passaic National Bank & Trust Company	3,000,000
Union City	Hudson Trust Company	3,000,000

NEW YORK

Albany	First Trust Company of Albany	2,000,000
	National Commercial Bank & Trust Company	4,500,000
Brooklyn	New York State National Bank	2,500,000
	Brooklyn Trust Company	5,500,000
	First National Bank	2,000,000
	Mechanics Bank	5,150,000
	Municipal Bank	2,600,000
Buffalo	Nassau National Bank	2,000,000
	Liberty Bank	8,500,000
	Manufacturers & Traders Trust Company	6,000,000
	Marine Trust Company	20,000,000
New York	Peoples Bank	2,700,000
	American Exchange Irving Trust Company	52,000,000
	American Trust Company	6,250,000
	American Union Bank	2,071,109
	Bankers Trust Company	40,000,000
	The Bank of America	11,500,000
	Bank of the Manhattan Company	21,400,000
	Bank of New York & Trust Company	12,000,000
	Bank of United States	8,000,000
	Bowery and East River National Bank	5,500,000
	Capitol National Bank and Trust Company	2,500,000
	Central Mercantile Bank and Trust Company	4,000,000
	Central National Bank	2,500,000
	Central Union Trust Company	37,500,000
	Chase National Bank	65,000,000
	Chatham Phenix National Bank & Trust Company	22,500,000
	Chemical National Bank	22,500,000
	Corn Exchange Bank	22,000,000
	Equitable Trust Company	48,000,000
	Farmers' Loan & Trust Company	20,000,000
	Fidelity Trust Company	6,500,000
	Fifth Avenue Bank	2,500,000
	First National Bank	85,000,000
	Garfield National Bank	2,000,000
	Grace National Bank	2,750,000
	Guaranty Trust Company	45,000,000
	Hamilton National Bank	2,000,000
	Hanover National Bank	20,000,000
	Interstate Trust Company	3,900,000
	Liberty National Bank in New York	2,000,000
	Manufacturers Trust Company	20,000,000
	Murray Hill Trust Company	2,000,000
	National Bank of Commerce	65,000,000
	National City Bank	100,000,000
	National Park Bank	30,000,000
	New York Trust Company	20,000,000
	Public National Bank	10,000,000
	Seaboard National Bank	14,000,000
	Times Square Trust Company	2,500,000
	United States Mortgage & Trust Company	7,500,000
	United States Trust Company	14,000,000
Rochester	Lincoln-Alliance Bank	4,000,000
	City Bank Trust Company	3,500,000
Syracuse	First Trust & Deposit Company	4,250,000
	Syracuse Trust Company	2,250,000
Troy	Manufacturers National Bank	2,000,000
	Citizens Trust Company	2,000,000
Utica	First National Bank & Trust Company	3,000,000

SPECIAL ELECTION
CERTIFICATE OF NOMINATION FOR CLASS B DIRECTOR, 1927

District No. 2

FEDERAL RESERVE BANK OF NEW YORK

Group No. 1

At a meeting of the Board of Directors of the _____

(Name of Bank)

luly called and held on the _____ day of _____ 1927, 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 New York, and the cashier is hereby authorized, empowered and directed to certify his name to the Chairman of the Board of Directors of the Federal Reserve Bank of New York as the nominee of this association in accordance with the provisions of Section 4 of the Act of Congress approved December 23, 1913, known as the Federal Reserve Act, as amended."

I hereby certify that the foregoing is a true and correct copy of a resolution of the Board of Directors of this association duly adopted on the date specified, and pursuant thereto I hereby certify that _____ is the duly accredited nominee of this association for a Class B director of the Federal Reserve Bank of New York in Group 1.

**PLEASE AFFIX
CORPORATE SEAL**

HED

_____, *Cashier*
To OWEN D. YOUNG,
Deputy Chairman, Board of Directors,
Federal Reserve Bank of New York.

SPECIAL ELECTION 1927

DESIGNATION of OFFICER AUTHORIZED to CAST VOTE of MEMBER BANK

District No. 2

FEDERAL RESERVE BANK OF NEW YORK

Group No. 1

At a meeting of the Board of Directors of the.....

(Name of Bank)

duly called and held on the..... day of..... 1927, on motion duly made and seconded,
it was

"Resolved, that Mr. the
(President, Cashier, or other officer)

of this bank be and he is hereby authorized, empowered, and directed to cast the vote of this Bank for Class A and Class B directors of the Federal Reserve Bank of New York, in accordance with the provisions of Section 4 of the Act of Congress approved December 23, 1913, known as the Federal Reserve Act, as amended by the Act of September 26, 1918.

"Resolved further, that the authority hereby granted shall continue in force until revoked by the directors of this bank."

(Signature of Officer authorized to cast vote of Bank)

I hereby certify that the foregoing is a true and correct copy of the resolution of the Board of Directors of this Association, duly adopted on the date specified. I further certify that the foregoing signature is the signature of the officer named therein, who is authorized to cast the vote of this Bank.

PLEASE AFFIX
CORPORATE SEAL

(To be signed by Officer other than the Officer
authorized to cast vote of Bank)

To OWEN D. YOUNG,
Deputy Chairman, Board of Directors,
Federal Reserve Bank of New York.

ELECTION

MR. OWEN D. YOUNG

Deputy Chairman, Board of Directors,

FEDERAL RESERVE BANK OF NEW YORK,

NEW YORK CITY

FEDERAL RESERVE POST OFFICE STATION

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Federal Reserve Bank of St. Louis