

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 1426]
September 29, 1934]

Nomination and Election of Directors

To Member Banks in the Second Federal Reserve District:

An election will be held under the provisions of Section 4 of the Federal Reserve Act to choose successors to the following directors of this bank whose terms will expire December 31, 1934: Class A director, GEORGE W. DAVISON, Chairman, Board of Trustees, Central Hanover Bank & Trust Company, New York, N. Y., and Class B director, THOMAS J. WATSON, President, International Business Machines Corporation, New York, N. Y.

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

Group 1 consists of member banks having capital and surplus in excess of \$1,999,000. (Listed on pages 3 and 4).

Group 2 consists of member banks having capital and surplus not exceeding \$1,999,000 and not less than \$201,000.

Group 3 consists of member banks having capital and surplus less than \$201,000.

Except as indicated in the next succeeding paragraph of this circular, each bank in Group 1 is permitted to nominate a candidate for Class A director and a candidate for Class B director.* The nominations should be made by resolution of the boards of directors of the nominating banks and certified copies of such resolutions should be sent to me so as to reach me on or before October 29, 1934. The enclosed printed forms show the appropriate forms of resolution and one copy of each form should be used in sending certified copies of the resolutions to me.

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

"Class A shall consist of three members, 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 at the time of their election shall be actively engaged in their district in commerce, agriculture or some other industrial pursuit. . . . 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 Federal Reserve Board or an officer or a director of a Federal Reserve Bank."

In a resolution adopted December 23, 1915, the Federal Reserve Board expressed the opinion "that persons holding political or public office in the service of the United States, or of any State, territory, county, district, political subdivision, or municipality thereof, or acting as members of political party committees, cannot consistently with the spirit and underlying principles of the Federal Reserve Act, serve as directors or officers of Federal Reserve Banks." On December 28, 1915, the Federal Reserve Board resolved that "national bank examiners shall not hereafter be elected * * * to directorships in Federal Reserve Banks." Under date of July 2, 1925, the Federal Reserve Board advised it had "reached the conclusion that a person whose sole occupation is that of officer of an insurance company is not eligible for election as a Class B director of a Federal Reserve Bank."

Section 33 of the Banking Act of 1933 added a new section, Section 8A, to the Clayton Antitrust Act, reading as follows:

"That from and after the 1st day of January 1934, no director, officer, or employee of any bank, banking association, or trust company, organized or operating under the laws of the United States shall be at the same time a director, officer, or employee of a corporation (other than a mutual savings bank) or a member of a partnership organized for any purpose whatsoever which shall make loans secured by stock or bond collateral to any individual, association, partnership, or corporation other than its own subsidiaries."

The language "any bank, banking association, or trust company organized or operating under the laws of the United States", as used in the above quoted Section 8A of the Clayton Antitrust Act, includes Federal Reserve Banks. The Federal Reserve Board is authorized under the provisions of Section 8 of the Clayton Antitrust Act to issue permits covering private bankers and directors, officers, and employees of banks, banking associations, and trust companies, but the Federal Reserve Board is not authorized to issue a permit authorizing a director of a Federal Reserve Bank to be a director, officer or employee of a corporation other than a bank, banking association or trust company or to be a member of a partnership other than a firm of private bankers. Consequently, no person may be a director of a Federal Reserve Bank if he is a director, officer or employee of a corporation (other than a bank, banking association or trust company), or a member of a partnership (other than a firm of private bankers), if such corporation or partnership makes loans secured by stock or bond collateral to any individual, association, partnership or corporation other than its own subsidiaries.

Under the provisions of Section 4 of the Federal Reserve Act, as amended by the Banking Act of 1933**, whenever any two or more member banks within the same Federal Reserve District are affiliated with the same holding company affiliate (as that term is defined in Section 2 (c) of the Banking Act of 1933)*** participation by such member banks in the nomination of candidates for, or the election of, directors of Federal Reserve Banks shall be confined to one of such banks, and the holding company affiliate may designate the bank to participate in such nomination or election. Accordingly, banks in Group 1 affected by the foregoing provision of the law are requested to take prompt action to have the appropriate holding company affiliate designate one of its affiliated banks to participate in this nomination and election. Such designations should be made by resolutions of the boards of directors or similar governing bodies of the holding company affiliates and should be made even though in any particular case only one of the affiliated banks may be in Group 1. Two copies of a printed form of appropriate resolution are enclosed, and one copy thereof should be completed and sent to me so as to reach me on or before October 29, 1934.

On October 31, 1934, copies of the list of candidates (indicating by whom nominated) and preferential ballots will be mailed so that, in the normal course of the mails, they will be received by all banks in Group 1 on November 1, 1934. The law provides that the ballot shall be cast within 15 days after receipt of this list. The polls will open on November 1, 1934, and will close at 12 o'clock noon on Friday, November 16, 1934. Upon the closing of the polls the ballot box will be opened in the board room of this bank, the votes counted and checked by tellers, and results of the election announced. The candidates will be invited to 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 me at or before the time thus fixed for the closing of the polls; (i.e., at or before 12 o'clock noon on Friday, November 16, 1934). The list on the following pages shows the officers heretofore designated for this purpose by the respective banks in Group 1.

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

J. H. CASE,

Chairman of the Board.

** Section 3 (b) of the Banking Act of 1933 provides:

"The paragraph of section 4 of the Federal Reserve Act, as amended (U. S. C., title 12, sec. 304), which commences with the words 'The Federal Reserve Board shall classify' is amended by inserting before the period at the end thereof a colon and the following: 'Provided, That 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.'"

*** Section 2 (c) of the Banking Act of 1933 defines the term "holding company affiliate" as follows:

"(c) The term 'holding company affiliate' shall include any corporation, business trust, association, or other similar organization—

"(1) Which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 per centum of the number of shares voted for the election of directors of any one bank at the preceding election, or controls in any manner the election of a majority of the directors of any one bank; or

"(2) For the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees."

1934 Election of Directors

List of 56 Member Banks in Group 1

Revised to September 27, 1934

Group 1 consists of member banks having capital and surplus in excess of \$1,999,000.

CONNECTICUT

Place	Bank or Trust Company	Officers Authorized to Cast Vote
Bridgeport	The First National Bank and Trust Company of Bridgeport	President, any Vice-President, or Cashier
Stamford	The First-Stamford National Bank and Trust Company	President, any Vice-President, or Cashier

NEW JERSEY

East Orange	Savings Investment and Trust Company	President, any Vice-President, or Cashier
Jersey City	Commercial Trust Company of New Jersey	President, any Vice-President, or Treasurer
Jersey City	The First National Bank of Jersey City	President, any Vice-President, or Cashier
Jersey City	Hudson County National Bank	President, any Vice-President, or Cashier
Jersey City	The New Jersey Title Guarantee and Trust Company	President, or any Vice-President
Montclair	Montclair Trust Company	President, or any Vice-President
Newark	Federal Trust Company	President, or any Vice-President
Newark	Fidelity Union Trust Company	Chairman, President, or any Vice-President
Newark	Merchants and Newark Trust Company of Newark, N. J.	President, any Vice-President, Secretary, or Treasurer
Newark	National Newark and Essex Banking Company of Newark	President, any Vice-President, or Cashier
Passaic	Passaic National Bank and Trust Company	President, any Vice-President, or Cashier
Paterson	The Second National Bank of Paterson	President, any Vice-President, or Cashier

NEW YORK

Albany	First Trust Company of Albany	President, or any Vice-President
Albany	The National Commercial Bank and Trust Company of Albany	President, any Vice-President, or Cashier
Albany	The New York State National Bank of Albany	President, any Vice-President, or Cashier
Brooklyn	Brooklyn Trust Company	President, any Vice-President, or Secretary
Buffalo	Liberty Bank of Buffalo	President, any Vice-President, or Cashier
Buffalo	Manufacturers and Traders Trust Company	President, any Vice-President, or Secretary
Buffalo	The Marine Trust Company of Buffalo	President, or any Vice-President
Elmira	Chemung Canal Trust Company	President, any Vice-President, Cashier, Secretary, or Treasurer
Elmira	First National Bank & Trust Company of Elmira	Chairman, President, any Vice-President, or Cashier
Mount Vernon New York	The Mount Vernon Trust Company Bank of the Manhattan Company	Honorary Chairman, Chairman, Vice-Chairman or President
New York	Bank of New York and Trust Company	President, any Vice-President, or Treasurer
New York	Bankers Trust Company	President, or any Vice-President

Place	Bank or Trust Company	Officers Authorized to Cast Vote
New York New York	Central Hanover Bank and Trust Company The Chase National Bank of the City of New York.	President, or any Vice-President Chairman of the Governing Board, Chairman of the Executive Committee, Chairman of the Board of Directors, Vice-Chairman of the Board of Directors, President, any Vice-President, or Cashier
New York	Chemical Bank & Trust Company.	President, or any Vice-President
New York	City Bank Farmers Trust Company
New York	Colonial Trust Company	President, or any Vice-President
New York	The Commercial National Bank and Trust Company of New York	President, any Vice-President, or Cashier
New York	The Continental Bank & Trust Company of New York	President, any Vice-President, or Treasurer
New York	Corn Exchange Bank Trust Company	Chairman, Vice-Chairman, President, or any Vice-President
New York	The Fifth Avenue Bank of New York	President, any Vice-President, or Cashier
New York	The First National Bank of the City of New York.	President, any Vice-President, or Cashier
New York	Fulton Trust Company of New York	President, any Vice-President, or Secretary
New York	Grace National Bank of New York	President, any Vice-President, or Cashier
New York	Guaranty Trust Company of New York	President, any Vice-President, or Secretary
New York	Irving Trust Company	Chairman of the Board, President, Chairman of the Executive Committee, or Vice-Chairman of the Board
New York	Lawyers County Trust Company
New York	Manufacturers Trust Company	President, or any Vice-President
New York	The Marine Midland Trust Company of New York	Chairman of the Board, President, any Vice-President, or Chairman of the Executive Committee
New York	The National City Bank of New York	President, any Vice-President, or Cashier
New York	The New York Trust Company	President, or any Vice-President
New York	The Public National Bank and Trust Company of New York	President, any Vice-President, or Cashier
New York	Sterling National Bank & Trust Company of New York	President, any Vice-President, or Cashier
New York	United States Trust Company of New York	President, or any Vice-President
Niagara Falls	Power City Trust Company	President, Executive Vice-President, any Vice-President, or Secretary
Rochester	Central Trust Company Rochester, N. Y.
Rochester	Lincoln-Alliance Bank and Trust Company	President, any Vice-President, or Secretary
Syracuse	First Trust and Deposit Company.	President, any Vice-President, or Secretary
Syracuse	The Syracuse Trust Company	Chairman, President, any Vice-President, or Treasurer
Troy	The Manufacturers National Bank of Troy	President, any Vice-President, or Cashier
Utica	First Citizens Bank and Trust Company of Utica

FEDERAL RESERVE BANK
OF NEW YORK

Nomination for Class "A" Director, 1934

DISTRICT No. 2

GROUP No. 1

At a meeting of the Board of Directors of the
(Name of Bank)
ofduly called and held on the.....day
(City or Town and State)
of.....1934, on motion duly made and seconded, it was

"RESOLVED, That....., of.....
whose occupation is, be, and he is hereby, nominated by this
bank as a candidate for director of Class A of the Federal Reserve Bank of New York, and
the Cashier or other officer of this bank is hereby authorized, empowered and directed to
send a certified copy of this resolution to the Chairman of the Board of Directors of the
Federal Reserve Bank of New York."

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.

(SEAL OF BANK)

.....
(Official signature)

To J. H. CASE,
CHAIRMAN OF THE BOARD OF DIRECTORS,
FEDERAL RESERVE BANK OF NEW YORK.

.....
(Title)

FEDERAL RESERVE BANK
OF NEW YORK

Nomination for Class "B" Director, 1934

DISTRICT No. 2

GROUP No. 1

At a meeting of the Board of Directors of the
(Name of Bank)
ofduly called and held on the.....day
(City or Town and State)
of.....1934, on motion duly made and seconded, it was

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

whose occupation is, be, and he is hereby, nominated by this bank as a candidate for director of Class B of the Federal Reserve Bank of New York, and the Cashier or other officer of this bank is hereby authorized, empowered and directed to send a certified copy of this resolution to the Chairman of the Board of Directors of the Federal Reserve Bank of New York."

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.

(SEAL OF BANK)

.....
(Official signature)

To J. H. CASE,

.....
(Title)

CHAIRMAN OF THE BOARD OF DIRECTORS,

FEDERAL RESERVE BANK OF NEW YORK.

Designation by Holding Company Affiliate* of Member Bank to Participate in Nomination and Election of Directors of Federal Reserve Bank of New York

“WHEREAS this organization is a holding company affiliate, as defined in Section 2 (c) of the Banking Act of 1933, with respect to only the following named member banks of the Federal Reserve System located in the Second Federal Reserve District:

.....
.....

and

“WHEREAS this organization desires to designate one of said member banks to participate in the nomination and election of directors of Federal Reserve Bank of New York to be held as set forth in Circular No. 1426 of said Federal Reserve Bank dated September 29, 1934,

“NOW, THEREFORE, BE IT RESOLVED

“That.....
(name of member bank)

of.....
(address of member bank)

be and it hereby is designated pursuant to Section 4 of the Federal Reserve Act, as amended by Section 3 (b) of the Banking Act of 1933, to participate in the nomination and election of directors of Federal Reserve Bank of New York to be held as set forth in Circular No. 1426 of said Federal Reserve Bank dated September 29, 1934.”

The undersigned hereby certifies that the foregoing is a true and correct copy of preambles and a resolution duly adopted at a meeting of the.....
(board of directors or other governing body)

of.....
(name and location of holding company affiliate)

duly called and held on the day of, 1934, at which a quorum was present and voting, and that said preambles and resolution have not been revoked or modified and are now in full force and effect.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed the seal of the said organization this day of, 1934.

.....
(Cashier or Secretary)

To J. H. CASE,
CHAIRMAN OF THE BOARD OF DIRECTORS,
FEDERAL RESERVE BANK OF NEW YORK.

* Section 2 (c) of the Banking Act of 1933 defines the term “holding company affiliate” as follows:

“The term ‘holding company affiliate’ shall include any corporation, business trust, association, or other similar organization—

“(1) Which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 per centum of the number of shares voted for the election of directors of any one bank at the preceding election, or controls in any manner the election of a majority of the directors of any one bank; or

“(2) for the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees.”

FEDERAL RESERVE BANK
OF NEW YORK

Designation of Officers Authorized to Cast Vote of Member Bank In
Elections of Directors of Federal Reserve Bank of New York

DISTRICT No. 2

At a meeting of the Board of Directors of the

.....
(Name and Location of Bank)

duly called and held on the.....day of....., 193....., on motion
duly made and seconded, it was

“RESOLVED, That the President, any Vice-President, or the Cashier of this bank, or

.....
(If designation of some officer not included in those mentioned is desired, insert his *title only* here)

of this bank, be and any one of them 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 Federal Reserve Act, as amended.

“RESOLVED FURTHER, That the authority hereby granted shall continue in force
until revoked by the Board of Directors of this bank and that such authority heretofore
conferred on any officer of this bank is hereby revoked.”

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.

Dated the.....day of....., 193.....

.....
(Official signature)

(SEAL OF BANK)

.....
(Title)

To CHAIRMAN OF THE BOARD OF DIRECTORS,
FEDERAL RESERVE BANK OF NEW YORK.