

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. **9158**]
[October 6, 1981]

**CHANGE IN CLASSIFICATION OF MEMBER BANKS
FOR PURPOSE OF ELECTING DIRECTORS**

*To the Member Banks of the
Second Federal Reserve District:*

Pursuant to section 265.2(f)(32) of the Rules Regarding Delegation of Authority of the Board of Governors of the Federal Reserve System, this Bank has changed the classification of member banks in the Second Federal Reserve District for the purpose of electing class A and class B directors of the Federal Reserve Bank of New York. Under the previous classification, Group 1 consisted of banks with capital and surplus of more than \$185,000,000; Group 2, of banks with capital and surplus of \$5,000,000 to \$185,000,000, inclusive; and Group 3, of banks with capital and surplus of less than \$5,000,000.

The new classification is as follows:

Group 1 consists of banks with capital and surplus of more than \$400,000,000;

Group 2, of banks with capital and surplus of \$6,500,000 to \$400,000,000, inclusive; and

Group 3, of banks with capital and surplus of less than \$6,500,000.

The change in classification is intended to achieve a better distribution of member banks in the three groups, each of which "shall consist as nearly as may be of banks of similar capitalization" as specified in section 4 of the Federal Reserve Act. The groupings were out of alignment as the result of increases in capitalization of member banks and a reduction in the number of member banks through mergers and absorptions.

The new classification will be used this year, when Group 3 banks will be voting for a class A and a class B director for three-year terms beginning January 1, 1982.

ROBERT H. KNIGHT,
Chairman of the Board.