

FEDERAL RESERVE BANK *of* CLEVELAND

OFFICE OF THE CORPORATE SECRETARY

Nomination Eligibility

Section 4 of the Federal Reserve Act, as amended, contains the following provisions:

- Class A shall consist of three members, without discrimination on the basis of race, creed, color, sex or national origin, 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 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 issued the following guidelines concerning qualifications of Class A and B directors:

- Class A directors should be representatives of the member banks by which they are elected [and] should be residents of the district in which the Federal Reserve Bank is located.
- The Federal Reserve Banks will be served best by directors who can contribute to the System's understanding of the economic conditions of their district and the effect of those conditions on the economy as a whole. They should be familiar with the economic and business community of the territory for which they are selected.
- A person whose sole occupation is that of the officer of a savings and loan association is not eligible for election as a Class B director of a Federal Reserve Bank.

The Board of Governors has a longstanding policy that activity that might be interpreted as associating the Federal Reserve with any political party or political activity is inconsistent with service as a Federal Reserve Bank director. In addition, holding a public office in the service of the United States or of any state, territory, county, district, municipality, or political subdivision similarly is inconsistent with service as a Federal Reserve Bank director.