

FEDERAL RESERVE BANK OF SAN FRANCISCO
101 MARKET STREET, SAN FRANCISCO, CALIFORNIA 94105

September 6, 2012

**ELECTION OF DIRECTORS
NOMINATION PROCEDURES**

**To the Member Banks of the
Twelfth Federal Reserve District**

The Federal Reserve Bank of San Francisco will conduct an election under the provisions of Section 4 of the Federal Reserve Act to choose successors to the following directors of this Bank, whose terms expire on December 31, 2012:

Class A Director	Mr. Kenneth P. Wilcox Chairman Silicon Valley Bank Santa Clara, California
Class B Director	Mr. Blake W. Nordstrom President Nordstrom, Inc. Seattle, Washington

Neither Mr. Wilcox nor Mr. Nordstrom is eligible for reelection.

Each Federal Reserve Bank has a nine-member board of directors. Three Class A directors and three Class B directors are elected to staggered three-year terms by member banks in the district, and three Class C directors are appointed to staggered three-year terms by the Board of Governors of the Federal Reserve System. Class A directors represent the member banks. Class B and Class C directors represent the public and are chosen with due but not exclusive consideration to the interests of agriculture, commerce, industry, services, labor and consumers.

For purposes of nominating and electing directors, member banks are divided into three different groups based on levels of capital and surplus. Mr. Wilcox was elected by banks in Group One, which consists of banks having capital and surplus of \$200,000,000 or more. Mr. Nordstrom was elected by banks in Group Three, which consists of banks having capital and surplus of less than \$17,500,000. The banks comprising Groups One and Three 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.

Each bank in Group One is permitted to nominate one candidate for Class A Director, and each bank in Group Three is permitted to nominate one candidate for Class B Director. While the banks in Group Two will not vote in this election, this circular is sent to them, without forms, for their information.

The nomination forms for these Class A and Class B positions must be signed by an officer who has been duly authorized to make nominations and can cast votes on behalf of the bank. If your bank has not previously designated an officer for this purpose, it may do so by a resolution of the bank's board of directors or through a provision in the bank's bylaws.

Nominations must be received by 2:00 p.m. on October 12, 2012. You may return your nomination forms by any reasonable means, including the U.S. Postal Service in the enclosed envelope. You may also send a facsimile to (415) 393-1974 or submit a scanned copy by electronic mail to: sfofficeofthesecretary@sf.frb.org.

On October 26, 2012, a list of the candidates (indicating the nominating banks), a preferential ballot and voting instructions will be mailed to each bank eligible to vote in Groups One and Three. Voting will begin at 9:00 a.m. on November 2, 2012 and close at 2:00 p.m. on November 19. At that time, the votes will be counted in the Board Room of this Bank, and the election results will be announced. The candidates are invited to be present or represented on that occasion.

If you have any questions concerning this process, please call Gerald Tsai, Secretary of the Board, at (415) 974-3415. I appreciate your participation in this election.

Sincerely,

A handwritten signature in black ink, appearing to read 'Douglas W. Shorestein', written in a cursive style.

DOUGLAS W. SHORENSTEIN
Chairman of the Board

(Enclosures)

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

Reflected below are policy statements and certain statutory requirements that will be pertinent to your selection of a nominee for Class A and Class B Directors:

Section 4 of the Federal Reserve Act, as amended by the Federal Reserve Reform Act of 1977, reads in part as follows:

“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 stock-holding 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.”

At its meeting of November 10, 1993, the Board of Directors of the Federal Reserve Bank of San Francisco resolved that "all persons who stand for election as Class A or Class B directors of the Federal Reserve Bank of San Francisco shall be citizens of the United States."

In a policy statement issued on January 31, 2006, the Board of Governors of the Federal Reserve System restated its general position that it is "...contrary to the Board's policy for a director to hold, or to be a candidate for, any partisan public office...Similarly, a director may not hold public office in a position that is nominally nonpartisan if the office is viewed by the local public as partisan."

In a policy statement issued on November 25, 2009, the Board of Governors of the Federal Reserve System announced revisions to the policy governing eligibility of Class B directors. The policy states, "By statute, no Class B director may be an officer, director or employee of any bank. In order to give full effect to this requirement as well as the requirement that Class B directors be elected with consideration for sectors of the economy beyond banking, under the Board's policy a Class B director may not be an officer, director (including advisory director) or employee of a financial affiliation company. A financial affiliation company is any bank, bank holding company, branch or agency of a foreign bank, thrift institution, credit union, or subsidiary of such a company or entity. A financial affiliation company also includes any company that owns a bank or thrift institution, even if the company is not a registered bank holding company, if, at the time of election, the value of all banks and thrifts controlled by the company constitutes 15% or more of the assets, revenues, or net income of the consolidated holding company."

GROUP ONE

**20 Banks, each having a combined capital and surplus
of \$200,000,000 or more**

ONE Class A Director to be elected

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
ARIZONA (1 Bank)		
Phoenix	National Bank of Arizona	Chairman, President, Vice President or Cashier
CALIFORNIA (14 Banks)		
Los Angeles	The Bank of New York Mellon Trust Company, N.A.	Chairman, President, Vice President or Cashier
Los Angeles	City National Bank	Chairman, President, Vice President or Cashier
Los Angeles	Far East National Bank	Chairman, President, Vice President or Cashier
Los Angeles	Hanmi Bank	Chairman, President, Vice President or Cashier
Pasadena	East West Bank	Chairman, President, Vice President, Cashier or Secretary
Roseville	RaboBank, N.A.	Chairman, President or Executive Vice President
San Francisco	Bank of America California, N.A.	Chairman, President, Vice President, Cashier or Secretary
San Francisco	BlackRock Institutional Trust Company, N.A.	Chairman, President, Executive Vice President or Cashier
San Francisco	JPMorgan Bank and Trust Company, N.A.	Undesignated
San Francisco	Union Bank, N.A.	Chairman, President or Secretary
San Francisco	Wells Fargo Bank, N.A.	Chairman, Vice Chairman, President, Executive Vice President, Senior Vice President, Vice President or Cashier
San Rafael	Westamerica Bank	Undesignated
Santa Barbara	Santa Barbara Bank & Trust, N.A.	Chairman, President, Executive Vice President or Chief Financial Officer
Santa Clara	Silicon Valley Bank	Chairman, President, Vice President, or Cashier
HAWAII (1 Bank)		
Honolulu	Bank of Hawaii	Chairman or President
NEVADA (1 Bank)		
Las Vegas	HSBC Bank Nevada, N.A.	Chairman, President, Vice President or Cashier
OREGON (1 Bank)		
Portland	Bank of America Oregon, N.A.	Chairman, President, Vice President, Cashier or Secretary
UTAH (2 Banks)		
Odgen	Wells Fargo Bank Northwest, N.A.	Chairman, President, Vice President or Cashier
Salt Lake City	Zions First National Bank	Chairman, President, Vice President or Cashier

GROUP THREE

**55 Banks, each having a combined capital and surplus
of less than \$17,500,000**

ONE Class B Director to be elected

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
ALASKA (1 Bank)		
Anchorage	Key Trust Company of Alaska	Chairman, President, Chief Executive Officer or Vice President
ARIZONA (8 Banks)		
Avondale	West Valley National Bank	Chairman, President, Chief Executive Officer or Vice President
Gold Canyon	Gold Canyon Bank	Chairman, President or Vice President
Phoenix	Heritage Bank, N.A.	Chairman, President or Vice President
Phoenix	RepublicBankAz, N.A.	Chairman, President or Vice President
Phoenix	SunBank, N.A.	Chairman, President, Chief Executive Officer or Vice President
Scottsdale	Goldwater Bank, N.A.	President only
Scottsdale	UMB Bank Arizona, N.A.	Chairman only
Tucson	Canyon Community Bank, N.A.	Chairman, President, Vice President or Cashier
CALIFORNIA (26 Banks)		
Alhambra	New Omni Bank, N.A.	Chairman, President, Vice President or Cashier
Carson	Merchants Bank of California, N.A.	Chairman, President, Vice President or Cashier
Chico	Northern California National Bank	Chairman, President, Vice President or Cashier
Chino	Chino Commercial Bank, N.A.	President only
La Mesa	Borrego Springs Bank, N.A.	Chairman, President, Vice President or Cashier
Long Beach	Farmers and Merchants Bank of Long Beach	Chairman, President, Vice President or Cashier
Long Beach	International City Bank, N.A.	Chairman, President, Senior Vice President, Vice President or Cashier
Los Angeles	State Street Bank & Trust Company of California, N.A.	Chairman, President, Vice President or Cashier
Los Angeles	Western National Trust Company	Undesignated
Manteca	Delta Bank, N.A.	Chairman, President, Vice President or Cashier
Marysville	Gold Pacific Bank, N.A.	Chairman, President, Vice President or Cashier
Mojave	Mojave Desert Bank, N.A.	Chairman, President, Vice President or Cashier
Rancho Santa Margarita	South County Bank, N.A.	Undesignated
Sacramento	The Merchants National Bank of Sacramento	President, Vice President or Cashier
San Diego	Armed Forces Bank of California, N.A.	President only
San Diego	Neighborhood National Bank	Chairman, President, Executive Vice President or Cashier
San Francisco	Bessemer Trust Company of California, N.A.	Chairman, President, Managing Director or Cashier
San Francisco	Mission National Bank	President or Vice President/Cashier
San Francisco	Trans Pacific National Bank	Chairman, President, Vice President or Cashier
San Gabriel	Asian Pacific National Bank	Chairman, President, Vice President or Cashier
San Juan Capistrano	Capital Bank	Undesignated
San Luis Obispo	Coast National Bank	Chairman, President, Executive Vice President, Vice President or Cashier
Santa Paula	Santa Clara Valley Bank, N.A.	Chairman, President, Vice President or Cashier
Temecula	Mission Oaks National Bank	Chairman, President, Vice President or Cashier

GROUP THREE (Continued)

Location	Name of Bank or Trust Company	Officers Authorized to Cast Vote
CALIFORNIA (Continued)		
Westminster Whittier	Saigon National Bank Bank of Whittier, N.A.	President only President only
HAWAII (1 Bank)		
Honolulu	Hawaii National Bank	Chairman, Vice Chairman, President or Executive Vice President
IDAHO (3 Banks)		
Boise Buhl Lewiston	Idaho Banking Company Farmers National Bank of Buhl Twin River National Bank	Chairman, President, Vice President or Cashier President, Vice President or Cashier Chairman or President
NEVADA (3 Banks)		
Ely Las Vegas Las Vegas	The First National Bank of Ely Nevada National Bank Wells Fargo Financial National Bank	Chairman, President, Vice President or Cashier Undesignated Chairman, President, Vice President, Secretary or Cashier
OREGON (3 Banks)		
Florence Portland	Oregon Pacific Bank U.S. Bank Trust Company, N.A.	President only Chairman, President, Vice President, Treasurer or Secretary
Salem	Pioneer Trust Bank, N.A.	Chairman, President or Vice President
UTAH (3 Banks)		
Beaver Layton	Utah Independent Bank The First National Bank of Layton	President only President, Vice President, Cashier or Assistant Cashier
Odgen	Bank of Utah	Chairman, President, Vice President or Cashier
WASHINGTON (7 Banks)		
Bellevue Chelan Longview Lynnwood	Eastside Commercial Bank, N.A. North Cascades National Bank Hometown National Bank Prime Pacific Bank, N.A.	Chairman, President, Vice President or Cashier Chairman, President, Vice President or Cashier Chairman, President, Vice President or Cashier President or Vice President/Chief Financial Officer
Tacoma Walla Walla Yakima	Commencement Bank Baker Boyer National Bank Yakima National Bank	Chairman, President or Chief Financial Officer President, Vice President or Cashier Chairman, President, Vice President or Cashier

Directors of the Federal Reserve Bank of San Francisco

As of September 6, 2012

Name	Occupation	Elected by Banks in Group	Class	Term Expires December 31
Kenneth P. Wilcox	Chairman Silicon Valley Bank Santa Clara, California	1	A	2012
Betsy Lawer	Vice Chair First National Bank Alaska Anchorage, Alaska	2	A	2013
Megan F. Clubb	President and Chief Executive Officer Baker Boyer National Bank Walla Walla, Washington	3	A	2014
Blake W. Nordstrom	President Nordstrom, Inc. Seattle, Washington	3	B	2012
Nicole C. Taylor	President and Chief Executive Officer East Bay Community Foundation Oakland, California	1	B	2013
Richard A. Galanti	Executive Vice President and Chief Financial Officer Costco Wholesale Corporation Issaquah, Washington	2	B	2014
William D. Jones	President and Chief Executive Officer City Scene Management Company San Diego, California	Appointed by the Board of Governors of the Federal Reserve System	C	2012
Patricia E. Yarrington <i>Deputy Chairman</i>	Vice President and Chief Financial Officer Chevron Corporation San Ramon, California	Appointed by the Board of Governors of the Federal Reserve System	C	2013
Douglas W. Shorenstein <i>Chairman</i>	Chairman and Chief Executive Officer Shorenstein Properties LLC San Francisco, California	Appointed by the Board of Governors of the Federal Reserve System	C	2014*

*Reappointment for the first year of a three-year term beginning January 1, 2012