

**TWELFTH DISTRICT
COMMUNITY DEPOSITORY INSTITUTIONS ADVISORY COUNCIL**

FEDERAL RESERVE BANK OF SAN FRANCISCO

ARTICLE I

Name and Purpose

Name: The Twelfth District Community Depository Institutions Advisory Council (Twelfth District CDIAC.)

Purpose: To serve as an important source of information on the ability of community depository institutions to support local markets in the Twelfth District, by providing observations, opinions and advice to management of the Federal Reserve Bank of San Francisco and Members of the Board of Governors (the BOG) of the Federal Reserve System from the perspective of community depository institutions.

ARTICLE II

Role of Twelfth District CDIAC Members

Twelfth District CDIAC members will provide their perspectives on the economy, lending conditions and other issues, such as commonly encountered issues that affect the ability of community depository institutions to serve local markets. Council members are informal representatives of community depository institutions in the Twelfth District and as such are encouraged to discuss the work of the District CDIAC with others in their industry.

ARTICLE III

Method of Selecting Members, Membership and Terms

Method of Selecting Members: The Twelfth District CDIAC is formed by the President of the Federal Reserve Bank of San Francisco extending his/her personal invitation to individuals to serve on the group.

Membership: The Twelfth District CDIAC includes up to twelve members who reside within the nine-state District of this Reserve Bank. It includes at least two representatives each from commercial banks (state member, state non-member or national banks), from thrift institutions (state or federal savings and loan associations or savings banks), and from credit unions (state or federal). Each member will be a representative of a depository institution with total assets of less than \$10 billion. If a member departs from his/her institution, or if an institution no longer meets the size threshold, the member will be asked to resign from the Council.

Terms: Twelfth District CDIAC members generally serve one three-year term ending December 31.

BOG CDIAC Member: A member of the Board of Governors, in consultation with the president of each Council's respective Reserve Bank, will select one member from each District-level Council to serve on the Board of Governors' Community Depository Institutions Advisory Council (BOG CDIAC) for a period of three years. This BOG CDIAC will meet with the Board of Governors in Washington, D.C., at least twice a year to convey to the Board the information, advice and recommendations that were developed in the meetings of their respective District's Council.

ARTICLE IV

Meetings, Agenda, and Participants

Meetings: The Twelfth District CDIAC will meet in person two times each calendar year. Between scheduled meetings, should the Bank's President or the Council's Chairman wish to discuss issues of an immediate nature, the Bank may arrange telephone conference calls with the members of the Twelfth District CDIAC.

Agenda: Each in-person meeting of the Twelfth District CDIAC will have a pre-announced agenda which will include questions provided by the Board of Governors and Bank management, to focus the discussion and give participants the opportunity to be aware of the details of the issues that will be discussed.

Participants: Twelfth District CDIAC meetings are open to visiting Federal Reserve Bank of San Francisco directors and Twelfth District Economic Advisory Council members. In addition to the Twelfth District CDIAC members and the Bank's President and First Vice President, other officers of the Bank may participate in Council meetings as the meeting agendas dictate.

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