

## **DIRECTORS -- Reserve Bank Directors' Access to Confidential Supervisory Information**

In order to avoid any actual or perceived conflicts of interest resulting from the financial interests and outside affiliations of Reserve Bank directors, Reserve Banks may not provide confidential supervisory information to any director. Moreover, Reserve Bank directors may not participate in bank supervisory matters and may not be consulted regarding bank examination ratings, potential enforcement actions, application/approval matters, or similar supervisory matters. Reserve Bank boards may, however, receive periodic briefings on the overall health of the banking industry nationally or in the Reserve Bank's district, so long as the briefings present information in a way that eliminates the possibility that a director could discern supervisory information about any particular institution (e.g., information should be provided in aggregate form and should pertain to a sufficiently large number of organizations so that one could not reasonably infer confidential supervisory information regarding any entity).

Similarly, because of the potential for an actual or perceived conflict of interest, Class A directors may not be involved in the selection, appointment, or compensation of Reserve Bank officers whose primary duties involve supervisory matters. Due to the same potential for an actual or perceived conflict of interest, Class B directors who are affiliated with a thrift holding company that is supervised by the Federal Reserve may also not be involved in the selection, appointment, or compensation of Reserve Bank officers whose primary duties involve supervisory matters.