

**INTERPRETIVE LETTER 90-18 (SEPTEMBER 13, 1990)**

**State bank may appoint director emeritus or advisory director who does not vote and performs only advisory functions.**

Your correspondence dated \*, included a \* shareholders' resolution regarding the proposed position of "Director Emeritus" along with a shareholders' notice of meeting and proxy statement. After reviewing the materials which you sent, it appears that the position of Director Emeritus at the Bank would not violate any law or regulation with respect to that bank. This Agency's position is that the appointment of a Director Emeritus or an "advisory director" is permissible subject to the following conditions:

- 1) the Director Emeritus or advisory director is not elected by the bank's shareholders;
- 2) the Director Emeritus or advisory director is not authorized to vote on matters before the board of directors; and
- 3) the Director Emeritus or advisory director provides solely general policy advice to the bank's board of directors.