

Federal Reserve Bank of Atlanta
Bank Membership: Benefits & Process

Who Can Become a Member of the Federal Reserve System?

Any financially sound, state-chartered bank—including a de novo—is eligible to become a Federal Reserve System member. Twelve district Reserve Banks supervise state member banks as part of the Federal Reserve System’s mission to promote a safe and sound financial industry. Several factors are reviewed when determining membership, including [Section 208.3\(b\) of Regulation H](#).

Reserve Bank supervision is carried out in partnership with state regulators. Through its decentralized structure and efficient technology platforms, the Federal Reserve employs a risk-focused, tailored supervisory approach that is efficient and consistent. Federal Reserve services such as the discount window are available to all financial institutions; however, state member banks do experience select benefits.

Membership Benefits

- **Efficiency:** A bank and holding company structure can reduce the number of Federal supervisors from two to one. The Federal Reserve also leverages technology to conduct off-site examination work, lessening the administrative burden on banks. No public notice is required for filing a Reserve Bank membership application and there is no post-approval waiting period to complete the membership proposal.
- **Tailoring and Consistency:** Our supervisory program is tailored to the size, condition, and complexity of the organization. The frequency of examinations depends in part on the bank’s asset size and prior examination rating. As an apolitical organization, the Federal Reserve works to ensure a consistent supervisory approach that emphasizes controls and risk management in addition to financial performance.
- **Cost Benefits:** The Federal Reserve does not charge application filing or supervision fees¹ for institutions with less than \$100 billion in assets. Member banks enjoy financial flexibility through the holding company structure, ability to engage in various non-bank activities, expanded investment opportunities, and possible tax benefits. Member banks receive dividends from the stock held at the Federal Reserve Bank of Atlanta.
- **Relationships:** Reserve Bank leadership seeks member bank feedback on examination and supervisory processes. The Reserve Bank ensures member bank management has a dedicated, reliable and knowledgeable relationship manager, (central point of contact), and direct access to the Reserve Bank’s senior management. The Federal Reserve System’s structure with local access and decision-making authority allows us to respond in real time to questions, issues, or concerns.
- **Staff Expertise:** Due to a heavy emphasis on experience and educational training, Federal Reserve staff are extremely knowledgeable and well suited to supervise large, complex, regional, and community banking organizations.

Application Process

- Contact the Federal Reserve Bank of Atlanta to discuss benefits and identify potential hurdles early in the process. Bank management may meet with our Applications, Legal, Safety and Soundness, Consumer Affairs, and Risk teams. Depending on the situation, a pre-membership examination may be required.
 - Allen Stanley, Vice President - Community & Regional Banking (404-514-1417)
 - John Pelick, Vice President - Applications (404-354-5568)
- Complete the [application](#)

¹ There may be filing and legal fees associated with submitting applications with the state where the charter is filed.