



ANNUAL WASHINGTON CONFERENCE ON MARCH 1ST AND 2ND WILL FEATURE SENIOR POLICYMAKERS, INDUSTRY LEADERS



Senator Richard C. Shelby,
Chairman of the Senate Banking
Committee.



Rep. Michael G. Oxley,
Chairman of the House
Financial Services Committee.

An outstanding roster of top U.S. and international government officials and industry leaders will address key policy and business issues of importance to our members at the Institute's 2004 Annual Washington Conference. The conference is the one time of year when we collectively project the Institute and our members to the Washington community in connection with the many critical issues affecting bottom-line results and we strongly encourage all member institutions to be represented.

Confirmed speakers include: **Senator Richard C. Shelby**, Chairman of the Senate Banking Committee; **Rep. Michael G. Oxley**, Chairman of the House Financial Services Committee; **Mark W. Olson**, Member of the Board of Governors of the Federal Reserve System; **John D. Hawke, Jr.**, Comptroller of the Currency; and **Jaime Caruana**, Governor of the Bank of Spain and Chairman of the Basel Committee on Banking Supervision. We have also invited Treasury Secretary **John W. Snow** to give the Monday

(Continued on page 2)

ANNUAL COMPLIANCE SEMINAR DRAWS NEARLY 200 ATTENDEES

Senior banking regulators and private sector experts provided a comprehensive review of examination and supervision issues as well as best practices at the Institute's annual seminar on regulatory examination and compliance issues affecting international banks on October 29th and 30th in New York. *Speaker presentations are available on the Institute's web site at <http://www.iib.org/member>.*

(Continued on page 3)

SUPERINTENDENT TAYLOR TO ADDRESS JANUARY 15 MEMBERSHIP LUNCHEON

Diana L. Taylor, New York State Superintendent of Banks, will speak at the Institute's membership luncheon in New York on Thursday, January 15, 2004. Superintendent Taylor was nominated by Governor Pataki on April 25, 2003 and was confirmed by the State Senate on June 10th. She most recently served as Deputy Secretary for Finance and Housing in Governor Pataki's Administration and was previously Chief Financial Officer for the Long Island Power Authority. Prior to her service in the public sector, Superintendent Taylor was a Founding Partner of M.R. Beal and Company, an investment banking firm specializing in municipal bonds.



Diana L. Taylor, New
York State
Superintendent of
Banks.

All interested representatives of member institutions and Professional Liaison Committee firms are encouraged to attend

(Continued on page 2)

TREASURY ASSISTANT SECRETARY ABERNATHY SPEAKS AT INSTITUTE LUNCHEON IN OCTOBER

Wayne A. Abernathy, Assistant Secretary of the Treasury for Financial Institutions, discussed reform of the regulatory structure governing Fannie Mae and Freddie Mac at the Institute's membership luncheon at the Waldorf-Astoria Hotel on October 7th.

(Continued on page 2)



Robert B. Mills (left), Managing Director, Chief Financial Officer and Regional Operating Officer/Americas, UBS, and Chairman of the Institute, and Wayne A. Abernathy, Assistant Secretary of the Treasury for Financial Institutions.

The Institute's mission is to help resolve the many special legislative, regulatory and tax issues confronting internationally headquartered financial institutions that engage in banking, securities and/or insurance activities in the United States.

299 Park Avenue, 17th Floor, New York, N.Y. 10171

Telephone: (212) 421-1611 Facsimile: (212) 421-1119

E-Mail: IIB@IIB.ORG [HTTP://WWW.IIB.ORG](http://WWW.IIB.ORG)

Robert B. Mills, Chairman Lawrence R. Uhlick, Executive Director

ANNUAL CONFERENCE

(Continued from page 1)



Mark W. Olson,
Member of the Board of
Governors of the Federal
Reserve System.



John D. Hawke, Jr.,
Comptroller of the
Currency.



Jaime Caruana, Governor of
the Bank of Spain and
Chairman of the Basel
Committee on Banking
Supervision.

morning keynote address and anticipate being joined by him or one of his senior deputies. The conference will be held at the Four Seasons Hotel (2800 Pennsylvania Avenue, N.W.), beginning on Sunday evening, February 29th and ending at noon on Tuesday, March 2nd. As in past years, the second day of the conference will feature expert panels dealing with important tax and regulatory developments that will have a direct impact on your business activities.

The 2004 conference will be an excellent opportunity for representatives of member institutions from the **U.S. and head offices** as well as representatives of banking associations from around the world to exchange views on major financial services developments and meet informally with top government officials.

There will be a welcoming reception on Sunday evening from 5:00 p.m. to 7:00 p.m. Program sessions begin Monday morning and continue throughout the day. As in past years, there will be a reception Monday evening (location to be announced) for conference attendees, Administration officials, bank regulators and Members of Congress and their senior staff. Spouses/guests are cordially invited to the receptions and business sessions at no charge. In addition, you are welcome to encourage professional colleagues to register for the conference (including representatives of domestic banking institutions that are not members of the Institute).

JANUARY 15TH LUNCHEON

(Continued from page 1)

the luncheon and to invite their business customers and other colleagues as guests. Tables of ten may also be reserved in the name of member institutions and member firms of the Professional Liaison Committee. The luncheon will be held at the Waldorf-Astoria Hotel, with a reception at 12:00 noon in the Empire Room (1st floor), followed by lunch beginning promptly at 12:30 p.m. The luncheon will end no later than 2:00 p.m.

NEW MEMBER INSTITUTIONS



De Cai Li, General Manager of
the New York Branch, Bank of
Communications.



Byungsoo Cho, Regional
Head for the Americas,
Woori Bank.

Bank of Communications of the People's Republic of China and Woori Bank of the Republic of Korea have joined the Institute as new members. De Cai Li is General Manager of the New York branch of Bank of Communications and Byungsoo Cho is Regional Head for the Americas at Woori Bank.

Before assuming his present position in April 1997, Mr. Li served as Deputy General Manager of the International Banking Department in Bank of Communication's head office from December 1996 to April 1997. Prior to that, he served as Deputy General Manager of the Dalian Branch.

Mr. Cho has served in his present capacity since March 2001. Prior to that, Mr. Cho held a variety of positions within Woori (formerly Hanvit Bank and The Commercial Bank of Korea), including manager of funding and investment at the London branch, and deputy general manager of the New York agency.

OCTOBER 7TH LUNCHEON

(Continued from page 1)

In his remarks, Assistant Secretary Abernathy said the establishment of a "world class regulator" was vital to investors in Fannie Mae and Freddie Mac, the government-sponsored enterprises (GSEs) that are the largest players in the U.S. mortgage lending industry. Among other things, the new supervisor of the housing GSE's needs to have control over product approval, Assistant Secretary Abernathy said. Legislative proposals in Congress left authority over new products in the hands of the Department of Housing and Urban Development, which currently shares regulatory authority over the GSEs with the Office of Federal Housing Enterprise Oversight.

Responding to a question after his formal remarks, Assistant Secretary Abernathy said the new regulator of Fannie Mae and Freddie Mac should also have authority to establish risk-based capital requirements for the two companies.

COMPLIANCE SEMINAR

(Continued from page 1)

Topics covered during the day-and-a-half program included: the perspective of banks and bank examiners on examination issues; key examination and compliance issues for international banks under the USA Patriot Act; emerging trends and best practices in operational risk management, including issues dealing with structured finance as well as business continuity; and managing credit risk in an uncertain economic environment.

Among the regulatory officials participating in the seminar were: Stephen M. Hoffman, Jr., Associate Director of Banking Supervision and Regulation at the Federal Reserve Board; Nancy Wentzler, Deputy Comptroller of the Currency for Global Banking and Financial Analysis; William L. Rutledge, Executive Vice President of the Federal Reserve Bank of New York, who gave the Wednesday luncheon address; Robert O'Sullivan, Senior Vice President of the New York Fed; Fred D. Finke, the OCC's District Deputy Comptroller for the Northeastern District; Thomas Abballe, Deputy Superintendent of the New York State Banking Department; and Gregory P. Wyka, Assistant Regional Director of the Federal Deposit Insurance Corporation.



William L. Rutledge, Executive Vice President in charge of bank supervision at the Federal Reserve Bank of New York.



From left: Nancy Wentzler, Deputy Comptroller of the Currency for Global Banking and Financial Analysis; Stephen M. Hoffman, Jr., Associate Director of Banking Supervision and Regulation at the Federal Reserve Board; and Lawrence R. Uhlick, Executive Director and General Counsel, Institute of International Bankers.

INSTITUTE TO HOLD TRAINING PROGRAM ON ANTI-TYING COMPLIANCE ON DECEMBER 9TH

The Institute will hold a training program regarding recent developments affecting international banks in the area of anti-tying compliance on Tuesday, December 9th, from 8:45 a.m. to 12:15 p.m. at the Banco Santander Central Hispano Auditorium (45 East 53rd Street). We have scheduled the program in response to recent developments, including the clear indication that bank examinations will increasingly focus on an assessment of policies, procedures and training in this area. Accordingly, all member institutions are encouraged to send one or more representatives to the training program. There will be a registration fee of \$250 per person (\$350 per person for non-members) to attend the program (a preliminary agenda and registration form are available on the Institute's web site at <http://www.iib.org/11-21-03Anti-Tying.pdf>).

Several recent developments have stressed the importance of compliance with the anti-tying prohibitions of Section 106 of the Bank Holding Company Act Amendments of 1970. Among these, the Federal Reserve Board's proposed interpretation and guidance relating to Section 106, published in August, is especially relevant to international banks' U.S. operations as they develop and update their anti-tying compliance policies, procedures and training programs (the Institute's comment letter on the proposed guidance is available on our web site at <http://www.iib.org/member/Anti-Tying>). The impact of the Federal Reserve Board's proposal, and what it means for international banks' compliance efforts today, will be a primary area of focus of the program.

Some of the key topics that the program will cover in the area of anti-tying compliance include how U.S. anti-tying restrictions affect international banks, the consequences of non-

(Continued on page 4)



From left: Douglas M. Freedman, Director, FHC Compliance, UBS; Nicholas A. Faraci, Director, FHC and Banking Compliance Officer, BNP Paribas; Gregory P. Wyka, Assistant Regional Director of the Federal Deposit Insurance Corporation; Thomas Abballe, Deputy Superintendent of the New York State Banking Department; Fred D. Finke, the OCC's District Deputy Comptroller for the Northeastern District; Robert O'Sullivan, Senior Vice President, Bank Supervision, Federal Reserve Bank of New York; and Lawrence R. Uhlick, Executive Director and General Counsel, Institute of International Bankers.

ANTI-TYING COMPLIANCE

(Continued from page 3)

compliance with U.S. anti-tying laws, the key exceptions to the prohibitions on anti-tying arrangements (including the “traditional bank products” exception and the often-overlooked safe harbor for transactions with non-U.S. customers), “mixed product arrangements,” the significance of the Department of Justice’s position on bank anti-tying rules, and the impact of inquiries by the NASD and Congressman Dingell regarding tying practices of banks affiliated with broker-dealers.

Mark Van Der Weide of the Federal Reserve Board’s Legal Division will speak at the program regarding the Federal Reserve Board’s proposed interpretation and guidance relating to Section 106. Mr. Van Der Weide has been actively involved in the development of the Federal Reserve Board’s proposal. Supervisors from the Federal Reserve Bank of New York and the Office of the Comptroller of the Currency have also been invited to participate. These government officials will be joined by experts from leading professional firms and member institutions.

**INSTITUTE TO HOLD WORKSHOP ON
U.S. TAX INFORMATION REPORTING AND
WITHHOLDING COMPLIANCE ON FEBRUARY 12TH**

The Institute will hold a workshop on issues and concerns regarding U.S. tax information reporting and withholding compliance. It will be held on Thursday, February 12, 2004 from 9:00 a.m. to 5:00 p.m. at the Association of the Bar of the City of New York (42 West 44th Street). The workshop is not intended to be a highly technical tax session, but instead will be geared towards addressing practical problems and concerns affecting various operations and support staff as well as tax department compliance staff.

All member institutions are encouraged to send one or more representatives to the workshop. In addition, representatives of U.S. domestic institutions are welcome to participate. The registration fee to attend this full-day session, including a luncheon, will be \$350 per person.

**SCHEDULE OF EVENTS
THROUGH MARCH 2004**

All interested officers of member institutions are urged to put these dates on their calendars.

In particular, we encourage you to attend the Institute’s Annual Washington Conference at the Four Seasons Hotel in Washington on February 29 - March 2, 2004.

Tuesday, December 9, 2003
8:45 a.m. - 12:15 p.m.

Institute Training Program on Anti-Tying Compliance,
at the Banco Santander Central Hispano Auditorium
(45 East 53rd Street).

Thursday, January 15, 2004
12:00 noon

Institute Membership Luncheon, at the Waldorf-
Astoria Hotel. The guest speaker will be Diana L.
Taylor, New York State Superintendent of Banks.

Thursday, February 12, 2004
9:00 a.m. to 5:00 p.m.

Institute Workshop on Issues and Concerns Regarding
U.S. Tax Information Reporting and Withholding
Compliance, at the Association of the Bar of the City of
New York (42 West 44th Street).

Sunday evening - Tuesday afternoon
February 29 - March 2, 2004

Institute’s Annual Washington Conference, at the Four
Seasons Hotel.

Dates for additional seminars, workshops and other events
will be provided in the near future
