



## ANNUAL REGULATORY EXAMINATION AND COMPLIANCE SEMINAR TO BE HELD ON OCTOBER 30-31 IN NEW YORK

Arrangements are being finalized for the Institute's annual seminar on regulatory examination and compliance issues affecting international banks on Monday, October 30<sup>th</sup> and Tuesday, October 31<sup>st</sup> (until noon) at the Grand Hyatt New York (Park Avenue at Grand Central Station). We are grateful to **UBS** for their generous support as the program sponsor for this event as well as for the sponsorship support of the other firms listed on the program (available on the Institute's web site at <http://www.iib.org/events>).



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

Confirmed governmental speakers include: **The Honorable Diana Taylor**, New York State Superintendent of Banks, who will give the keynote luncheon address on Monday, October 30<sup>th</sup>; **Jack Jennings**, Associate Director, Division of Banking Supervision and Regulation, Federal Reserve Board; **Nancy Wentzler**, Deputy Comptroller of the Currency, Global Banking and Financial Analysis; **Robert Colby**, Deputy Director of the SEC's Division of Market Regulation; **Daniel A. Muccia**, Senior Vice President, Bank Supervision Group, Federal Reserve Bank of New York; **Suzanne Williams**, Manager of AML Policy and

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## ANNUAL BREAKFAST DIALOGUE

A distinguished group of senior U.S. and international policymakers addressed the Institute's 18<sup>th</sup> annual Breakfast Dialogue with Government Officials on Monday, September 18<sup>th</sup> during the IMF/World Bank meetings in Singapore.

Speaking at this year's event were: **Clay Lowery**, Assistant Secretary of the Treasury for International Affairs; **Nout Wellink**, President of

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## INSTITUTE WILL HOLD BASEL II SEMINAR ON NOVEMBER 30<sup>TH</sup> IN NEW YORK

The Institute will hold a comprehensive full-day seminar in New York on Thursday, November 30<sup>th</sup> focusing extensively on how Basel II will affect financial markets and business strategies.



*Susan Schmidt Bies, Member, Board of Governors of the Federal Reserve System.*



*Nicholas Le Pan, Chairman, Basel Committee's Accord Implementation Group.*

The program will include a luncheon keynote address by **The Honorable Susan Schmidt Bies**, Member of the Board of Governors of the Federal Reserve System, and an afternoon keynote address by **Nicholas Le Pan**, Canada's Superintendent of Financial Institutions and Chairman of the Basel Committee's Accord Implementation Group. We are also inviting other senior U.S. and international bank regulators as well as private-sector experts, including representatives from

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## FEDERAL RESERVE'S ROGER COLE SPEAKS AT OCTOBER 12TH MEMBERSHIP LUNCHEON

Roger T. Cole, the new Director of the Federal Reserve Board's Division of Banking Supervision and Regulation, spoke at the Institute's fall membership luncheon on Thursday, October 12<sup>th</sup> at the Waldorf-Astoria Hotel.



*Roger T. Cole (left), Director of the Federal Reserve Board's Division of Banking Supervision and Regulation, and Everett Schenk, CEO, North American Corporate and Investment Banking, BNP Paribas, and Chairman of the Institute.*

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.

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Everett Schenk, Chairman Lawrence R. Uhlick, Chief Executive Officer

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## INSTITUTE PUBLISHES 19TH ANNUAL GLOBAL SURVEY OF REGULATORY AND MARKET DEVELOPMENTS IN 40 COUNTRIES AND THE EU

The Institute has published its 19th annual Global Survey of Regulatory and Market Developments in Banking, Securities and Insurance which this year covers developments during the period from July 1, 2005 to June 30, 2006 in 40 countries and the European Union. The document is available on the Institute's web site at <http://www.iib.org/GS2006pdf>.

The Global Survey provides timely information to assist policymakers to better understand trends and developments around the world. Highlights of this year's Global Survey include the following:

- A matter selected for special attention in this year's Global Survey concerns the approach taken by various countries around the world to governmental oversight of foreign acquisitions of domestic companies. In the United States, the political controversy involving Dubai Ports gave rise to a number of legislative proposals to amend the process of government oversight of foreign investments, which is conducted through the Committee on Foreign Investments in the United States (CFIUS). Concerns have been raised in a number of quarters that these legislative developments could have a negative impact on the environment for foreign investment in the U.S. and potentially prompt other countries to take similar measures, with adverse consequences for international free trade and the global economy. A discussion of the current approach to governmental oversight in this area is included in a number of the individual country chapters.
  
- Developments regarding the implementation of Basel II are highlighted in many of the country chapters. While implementation is proceeding on schedule in European and other countries, U.S. implementation plans have been subject to continued controversy. On June 30th, four of the largest U.S. banks sent a joint letter to

federal regulators requesting that all banks be granted the option of adopting alternative methodologies for calculating regulatory capital requirements, including the standardized approach. The letter, signed by the chief risk officers at JPMorgan Chase, Citigroup, Wachovia and Washington Mutual, noted that nearly all other countries participating in the Basel II process permit such a choice.

- Many countries around the world are continuing to enhance their efforts to combat money laundering and the financing of terrorism, including through the adoption of the revised 40 recommendations of the Financial Action Task Force (FATF).

As in past years, the Survey also includes an updated table on permissible securities, insurance and real estate activities of banking organizations in various countries. In addition, this year's Survey includes updated tables on the approach countries take to funding the activities of their bank supervisory authorities, implementation of Basel II, market risk capital requirements, consolidated supervision, host country supervision of branches of non-domestic banks, applicability of host country endowment/dotational capital requirements for branches of non-domestic banking organizations, the applicability of asset pledge requirements to branches of non-domestic banking organizations, availability of central bank "daylight overdraft" credit for both domestic and non-domestic banking organizations, and permissibility of merchant banking activities.

## ANNUAL BREAKFAST DIALOGUE

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de Nederlandsche Bank and Chairman of the Basel Committee on Banking Supervision; **Sir Callum McCarthy**, Chairman of the U.K.'s Financial Services Authority; and **Heng Swee Keat**, Managing Director of the Monetary Authority of Singapore. This year's event was co-sponsored by the Association of Banks in Singapore and we are grateful to **BNP Paribas Singapore** for their sponsorship of the breakfast.

Speaker presentations are available on the Institute's web site at <http://www.iib.org/events/bdialogue.htm>.



From left: Jean-Pierre Bernard, Regional Head for South East Asia & India, BNP Paribas Singapore; Heng Swee Keat, Managing Director, Monetary Authority of Singapore; Sir Callum McCarthy, Chairman, Financial Services Authority (U.K.); Nout Wellink, President, de Nederlandsche Bank, and Chairman of the Basel Committee on Banking Supervision; Clay Lowery, Assistant Secretary for International Affairs, U.S. Treasury Department; and Lawrence R. Uhlick, Chief Executive Officer, Institute of International Bankers.

## COMPLIANCE SEMINAR

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Compliance, Federal Reserve Board; **Jamal El-Hindi**, Associate Director for Regulatory Policy & Programs, Financial Crimes Enforcement Network (FinCEN); **Barbara Hammerle**, Deputy Director, Office of Foreign Assets Control (OFAC); **David Fredsall**, Deputy Superintendent, Foreign and Wholesale Banks, New York State Banking Department; **Carlos Hernandez**, Assistant Deputy Comptroller, Federal Branches and Agencies, OCC; and **Mary Ann Gadziala**, Associate Director, Office of Broker-Dealer Examinations and Oversight/Self-Regulatory Organizations Inspections, Securities & Exchange Commission. Confirmed private-sector speakers include: **William M. Isaac**, Chairman of The Secura Group and former Chairman of the FDIC; **Eugene A. Ludwig**, Chief Executive Officer of Promontory Financial Group and former Comptroller of the Currency; and representatives from Institute member banks and member firms of our Professional Liaison Committee

This once-a-year program is recognized by the regulatory community as facilitating the compliance efforts of our member banks by providing them with definitive and timely information on critical examination and supervision issues as well as best practices. No bank can afford to fall behind in this important area.

Topics to be covered include:

- designing an effective risk management structure and process for U.S. operations of

international banks;

- the future direction of anti-money laundering and OFAC compliance;
- evolving trends in corporate governance, compliance and legal/reputational risk;
- the perspective of prudential supervisors and financial institutions on examination issues; and
- emerging trends and key developments in the regulation and supervision of branches and agencies of international banks and in the regulation of international banks themselves as bank holding companies and financial holding companies.

This comprehensive seminar provides an excellent opportunity for experienced officers to be thoroughly updated on new developments and gain practical insights in preparing for examinations. It also will offer new officers a solid introduction to the U.S. regulatory system and compliance requirements.

## BASEL II SEMINAR

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Institute member banks and member firms of our Professional Liaison Committee.

The Institute's seminar will be held from 9:00 a.m. to 5:30 p.m. at the Harold M. Proshansky Auditorium at the City University of New York Graduate Center, 365 Fifth Avenue (between 34<sup>th</sup> and 35<sup>th</sup> streets). The registration fee to attend the seminar is \$695 per person for Institute members (\$895 per person for non-members). Registration material is available on the Institute's web site at <http://www.iib.org/events>.

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## **SCHEDULE OF EVENTS THROUGH MARCH 2007**

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  
on March 4-6, 2007 at the Four Seasons Hotel in Washington, D.C.

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Wednesday, October 18, 2006	Institute's Annual Golf Outing, at Piping Rock Club, Locust Valley, Long Island.
Monday October 30 - Tuesday, October 31, 2006 (until noon)	Annual Institute Seminar on Regulatory Examination and Compliance Issues affecting International Banks, at the Grand Hyatt New York.
Thursday, November 30, 2006	Institute Seminar on Basel II, at the City University of New York Graduate Center.
Sunday Evening to Noon on Tuesday March 4-6, 2007	Institute's Annual Washington Conference, at the Four Seasons Hotel.

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

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