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INSTITUTE NEWS

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INSTITUTE TO HOLD NOV. 10 CONFERENCE ON U.S. BANKRUPTCY/RESOLUTION ISSUES AND CROSS-BORDER IMPLICATIONS FOR INTERNATIONALLY ACTIVE BANKS



The Honorable Sheila C. Bair



The Honorable Daniel K. Tarullo

The Institute will hold a major conference on November 10th in New York on U.S. bankruptcy/resolution issues and cross-border regulatory and market implications for American and internationally headquartered banking/financial institutions. The conference will also focus on proposals to establish a new resolution authority for systemically significant financial institutions. **The Honorable Sheila C. Bair**, Chairman of the Federal Deposit Insurance Corporation, will give the keynote luncheon address and **The Honorable Daniel K. Tarullo**, Member, Board of Governors of the Federal Reserve System and Chair of the Board's Committee on Supervisory and Regulatory Affairs, will give the afternoon keynote address. We have also invited Treasury Secretary Timothy F. Geithner to give the opening keynote address.

Given the importance of these issues, all interested representatives of member institutions are urged to attend the November 10th conference. Please also encourage interested colleagues at American financial organizations to participate.

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NEW YORK FED PRESIDENT DUDLEY TO SPEAK AT FALL MEMBERSHIP LUNCH

William C. Dudley, President of the Federal Reserve Bank of New York, will speak at the Institute's Fall membership luncheon on Tuesday, October 13th at the Waldorf-Astoria Hotel. Given the importance of Mr. Dudley's position and the Institute's longstanding working relationship with the New York Fed on the many critical regulatory/supervisory issues affecting internationally headquartered financial institutions operating in the U.S., we look forward to a strong turnout of member institutions for his remarks.



William C. Dudley

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BREAKFAST REGULATORY DIALOGUE

A distinguished group of senior U.S. and European policymakers addressed at the Institute's Annual Breakfast Regulatory Dialogue with Government Officials on Monday, October 5th during the IMF/World Bank meetings in Istanbul. Speaking at this year's event were: **Mark D. Sobel**, Acting Under Secretary of the Treasury for International Affairs; **Richard Neiman**, New York State Superintendent of Banks; **Mehmet Yörükoğlu**, Deputy Governor, Central Bank of Turkey; **Hans-Helmut Kotz**, Member of the Executive Board, Deutsche Bundesbank; and **Fabrizio Saccomanni**, Director General, Bank of Italy. (*Available speaker presentations have been posted on the IIB website.*)

The year's event was jointly organized by the Institute and the **European Banking Federation**. We are grateful to the **International Bank of Azerbaijan** for their generous support as the sponsor of this year's Breakfast Regulatory Dialogue.

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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ANNUAL RISK MGM'T AND REGULATORY EXAMINATION/COMPLIANCE SEMINAR TO BE HELD ON OCT. 19-20 IN NEW YORK

The Institute will hold its annual seminar on risk management and regulatory examination/compliance issues affecting international banks on Monday, October 19th and Tuesday, October 20th in the Proshansky Auditorium at the City University of New York Graduate Center (365 Fifth Avenue, between 34th and 35th streets).

This year's program will focus extensively on the many critical risk management and related supervisory issues arising from the continuing efforts to address the consequences of the crisis in the financial markets. Particular attention will be given to actions by institutions and supervisory authorities to better manage liquidity risk, credit risk and trading/market risk, as well as to measures to enhance the oversight of credit derivatives transactions. In addition, the seminar will discuss the regulatory and supervisory implications of the Obama Administration's financial regulatory reform proposals, particularly as they affect internationally headquartered financial institutions operating in the United States.

We are delighted that **Eugene A. Ludwig**, Chief Executive Officer of Promontory Financial Group LLC and former Comptroller of the Currency, will give the keynote luncheon address on the first day of the seminar and that **Hank Prybylski**, Partner at Ernst & Young LLP, will be the keynote luncheon speaker on the second day. Mr. Ludwig will provide his perspective on trends in the greater integration of executive compensation and risk management/governance practices, and Mr. Prybylski will discuss trends in risk management and the supervision of risk management (this important topic will also be covered in a separate afternoon panel discussion on the second day). The morning portion of the first-day program will begin with a panel of top U.S. and international regulatory officials from the Federal Reserve, the Office of the Comptroller of the Currency, the Securities and Exchange Commission and the U.K.'s Financial Services Authority, who will provide their perspectives on regulatory/supervisory policy initiatives.

The program will also feature senior regulators from the Federal Reserve Bank of New York,

the New York State Banking Department, the Treasury Department's Financial Crimes Enforcement Network (FinCEN), and the Financial Institutions Regulatory Authority. The seminar will also feature representatives of Institute member banks and leading industry consultants and banking lawyers.

This once-a-year program is recognized by the regulatory community as facilitating the risk management and compliance efforts of our member banks by providing them with definitive and timely information on key examination and supervision issues as well as best practices. Accordingly, we urge all member institutions to be represented.

In addition to the first-day panel on regulatory/supervisory policy initiatives, and the luncheon addresses, topics to be covered at this year's seminar include:

- meeting the challenges of managing credit risks in the midst of an economic downturn;
- market risk developments;
- managing liquidity risk;
- the role of compliance in enhancing risk management;
- 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;
- the perspectives of prudential supervisors and financial institutions on examination issues;
- supervisory developments regarding BSA/AML and OFAC compliance; and
- regulatory and risk management developments relating to credit derivatives.

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 offers new officers a solid introduction to the U.S. regulatory system and compliance requirements. An online registration form is available on the Institute's web site at www.iib.org

Fall Membership Luncheon

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Mr. Dudley assumed his responsibilities as the 10th President of the New York Fed on January 27, 2009. In this role, he also serves as Vice Chairman and permanent member of the Federal Open Market Committee, which is responsible for formulating U.S. monetary policy. Prior to his appointment, Mr. Dudley served as Executive Vice President of the New York Fed's Markets Group. Before joining the Bank in 2007, Mr. Dudley was a Partner and Managing Director at Goldman, Sachs & Co., and was the firm's chief U.S. economist. Earlier in his career, he was a Vice President at Morgan Guarantee Trust Company.

The luncheon will begin with a reception at 12:00 noon in the Palm Room on the 18th floor, followed by lunch beginning promptly at 12:30 p.m. in the Starlight Roof. The luncheon will end no later than 2:00 p.m. We encourage all interested representatives of member institutions and Professional Liaison Committee firms to attend 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. An online registration form with credit card payment option is available on the Institute's web site at www.iib.org.

ANNUAL WASHINGTON CONFERENCE

The Institute will hold its Annual Washington Conference at the Four Seasons Hotel (2800 Pennsylvania Avenue, N.W.), beginning on Sunday evening, February 28th and ending at noon on Tuesday, March 2nd. This is the Institute's most important event of the year, bringing together senior U.S. and international policymakers and industry leaders who address key policy and business issues of importance to internationally headquartered banking/financial institutions operating in the U.S.

Additional information and registration material will be available in the near future. In the meantime, we urge you to hold these dates on your calendars and make plans to attend.

November 10th Conference

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In addition to the keynote addresses, the Institute's program will also include panels comprised of governmental and private sector experts addressing a range of policy-oriented and practical issues relevant to internationally active banking organizations, including:

- An overview of the key U.S. insolvency regimes that apply to financial services firms in the United States, such as U.S. bank, broker-dealer insolvency rules and state vs. federal "ring-fencing" approaches for U.S. branches of internationally headquartered banks.
- Special issues relating to conglomerates organized as holding companies with functionally regulated subsidiaries, including lessons emerging from the Lehman Brothers bankruptcy.
- A discussion of what U.S. insolvency regimes mean for counterparties structuring transactions with regulated and unregulated entities in the United States, including the U.S. operations of internationally headquartered banks.
- Regulatory and supervisory perspectives on U.S. and international insolvency regimes, including the challenges of cross-border coordination in the current environment.
- Changes on the horizon: Policy priorities for future reform of U.S. and international insolvency approaches.

The Institute is grateful for the assistance of Cleary Gottlieb Steen & Hamilton LLP in the development of this program.

The November 10 conference will be held in the Proshansky Auditorium at the City University of New York Graduate Center (365 Fifth Avenue, between 34th and 35th streets). An online registration form is available on the Institute's web site at www.iib.org.

INSTITUTE PUBLISHES 2009 ANNUAL GLOBAL SURVEY OF REGULATORY AND MARKET DEVELOPMENTS

The Institute published its 22nd annual *Global Survey of Regulatory and Market Developments in Banking, Securities and Insurance* to coincide with the fall meetings of the International Monetary Fund and World Bank. This year's Global Survey covers developments during the period from July 1, 2008 to June 30, 2009 in 33 countries and the European Union. The document is available on the Institute's web site at www.iib.org.

The country chapters provide valuable insights into the varying degrees to which liquidity and credit problems emerged around the world during the period under review, the impact these problems had on national financial markets and economies, and the variety of actions taken by various national governments in response. It is evident from the Survey that the crisis has had a severe impact on all countries, but some have been more adversely affected than others.

Policymakers' response to the financial crisis In various countries

A matter selected for special attention in this year's Global Survey is the way in which policymakers in various countries have responded to the financial crisis. In describing the diversity of responses to the financial crisis by countries around the world, the Global Survey provides a useful point of reference for assessing these developments and their impact on the international financial community.

As indicated in the individual country chapters, a variety of approaches to addressing the consequences of the crisis in the financial system has been taken around the world, including creation of central bank liquidity facilities, central bank purchase of assets, increases to deposit insurance schemes, creation of asset guarantee/



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protection schemes, direct equity investments by home country governments in their banks and combinations thereof. Certain of these programs have been made available to both domestic and non-domestic institutions, while others have been limited to only domestic institutions.

As in past years, the Survey includes an updated table on permissible securities, insurance and real estate activities of banking organizations in various countries. Other updated tables include those relating to the approach countries take to funding the activities of their bank supervisory authorities, consolidated supervision, host country supervision of branches of non-domestic banks and the availability of central bank "daylight overdraft" credit for both domestic and non-domestic banking organizations.

SCHEDULE OF EVENTS THROUGH MARCH 2010

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

Tuesday, October 13, 2009
12:00 noon

Institute's Fall Membership Luncheon, at the Waldorf-Astoria Hotel. The Luncheon Speaker will be William C. Dudley, President of the Federal Reserve Bank of New York.

Monday, October 19 -
Tuesday, October 20, 2009

Annual Institute Seminar on Risk Management and Regulatory Examination/Compliance Issues Affecting International Banks, at the CUNY Graduate Center, 365 Fifth Avenue.

Tuesday, November 10, 2009
8:30 a.m. - 5:30 p.m.

Institute Conference on U.S. Bankruptcy/Resolution Issues and Cross-Border Implications for Internationally Active Banks, at the CUNY Graduate Center, 365 Fifth Avenue. Keynote speakers include FDIC Chairman Sheila Bair and Federal Reserve Board Governor Daniel Tarullo.

Sunday Evening to Noon on Tuesday
February 28—March 2, 2010

Institute's Annual Washington Conference, at the Four Seasons Hotel in Washington, D.C. This is the Institute's most important event of the year, bringing together senior U.S. and international policymakers and industry leaders who address key policy and business issues of importance to our members. Additional information and registration material will be available in the near future, but in view of all the critical developments taking place in Washington, we urge you to hold the dates on your calendars.

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