



LEADING THE WAY

A Comprehensive History of
International Banking in Florida

Prepared for the 35th Anniversary of the Founding of
FIBA – Florida International Bankers Association, Inc.

Mission

Across all borders, FIBA works to provide members and industry professionals with education and advocacy that promotes international banking, finance and commerce while facilitating best practices and industry awareness. As active participants representing the common interests of our members, we improve the financial services industry by:



Creating a network that unites members with regulators and policy makers



Enhancing professional development



Protecting the integrity of the financial system against money laundering and terrorist financing

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A Comprehensive History of International Banking in Florida

In Words and Photos

Prepared for the 35th Anniversary of the Founding of FIBA
FIBA-Florida International Bankers Association, Inc.

By Marcos A. Kerbel and Richard Westlund
Second Edition
May 9th, 2015

1979



2015

ACKNOWLEDGEMENTS

This comprehensive history of international banking in Florida and the role of the Florida International Bankers Association (FIBA) would not have been possible without the contributions of FIBA'S past presidents, with special acknowledgements to Fernando A. Capablanca, author of a 1996 history of international banking in Florida.

We would like to acknowledge the contributions of each member of the Board of Directors who supported each chairperson and president, including the executive committee chairpersons and members. Special gratitude to Roberto Munoz, Chairman, David Schwartz, President and CEO, John H. B. Harriman, COO, and Pat Roth, former Executive Director, for her many contributions to this historic document, and to Ashley Mouriz and Group M, who designed the second and first edition respectively. Also, to Pan American Graphic, Inc. who made the printing possible under a very tight deadline. The authors are grateful to all those "who walked along the way with us" and inadvertently may not be mentioned in this manuscript but did contribute to the association's success.

Finally, the authors would like to acknowledge the many journalists who have covered international banking and finance over the past 40 years. Their articles have been both positive and negative over the years, but on their reporting conveyed the key messages and numerous accomplishments of FIBA to a broad-based audience in Florida, the United States and around the world.

A Tribute to Dr. Felix H. Reyler

Founding President of FIBA



Dr. Felix H. Reyler, FIBA'S Founding President, died March 3, 1993. He was credited with helping turn Miami into an international financial center.

Dr. Reyler flourished in two professions. In 1944, he earned his law degree, graduating third in a class of 400 at the University of Havana. He received a post-graduate scholarship to study finance at Columbia University and went on to receive two doctorates from the University of Havana. In Cuba, Reyler was a prominent lawyer and judge. In 1961, he emigrated to the United States, after Castro seized control of the island. He started over choosing a new career - banking. He began his career at Mercantile National Bank of Miami Beach, where he founded the first Latin American department. When Joseph Weintraub purchased control of Pan American Bank in 1965, Dr. Reyler became head of Pan American's international division. He went on to become president and chief executive officer of Pan American Bank International and vice chairman of Pan American Bank, N.A.

In 1977, he was honored by the Chamber of Commerce of the Americas as "Man of the Year". Two years later, Reyler founded the International Center of Florida, Inc. which is today the World Trade Center Miami.

Reyler was stricken with a rare brain disorder, Cruetzfeldt - Jakob Disease, the human form of mad cow disease. The cause of the disease is still unknown. Only one in a million Americans ever get this disease. As a result, Dr. Reyler's family with the support of FIBA members created the Cruetzfeldt - Jakob Disease foundation to research the cause and find a cure for this disease.

Dr. Reyler is survived by his wife Dora, daughters Fanny Kerbel and Mayra Lichter, sons-in-law Marcos and David; grandchildren Dennis, Rina, Jessica, Joanna and Felix, and great grandchildren Dave, Solomon and Eliezer together with several nieces, nephews and cousins.

"It is unfortunate that Dr. Felix H. Reyler, the individual who conceived the idea of FIBA, cannot be with us to celebrate this 40-year success. But I am sure he continues to smile from eternity because he left our organization in excellent hands." - Marcos A. Kerbel

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“It has been a privilege to have worked with a true visionary – Felix Reyler – in the creation of FIBA and with the many distinguished banking leaders throughout the past 40 years. There have been many meaningful accomplishments and there are many more to come.”

Burton Landy
Founding General Counsel
Member of the FIBA Hall of Fame - 2014

Introduction

A Pillar of Florida's Economy

Since its founding on July 6, 1979, the Florida International Bankers Association (FIBA) has fostered the growth of international banking in Florida. By reaching out to financial institutions, affiliated professionals and their clients in Latin America, the Caribbean, Europe and Asia, FIBA has played a leading role in developing Florida into one of the world's most important global gateways.

In the past 35 years, international banking has become one of the pillars of Florida's economy, supporting the growth of tourism, real estate, manufacturing, foreign commerce and virtually every other industry sector. In addition, the state's international banks facilitate investment and finance an important segment of Florida's imports and exports.

South Florida is the state's international banking hub and downtown Miami's Brickell Avenue has long been known as the "Financial Capital of the Americas" for its large concentration of domestic and international banks. However, the benefits generated by international banking are by no means limited to South Florida.

Residents throughout the state have benefited from continuous international investment in the state's businesses, commercial and residential real estate. Through their savings, investment and lending services, FIBA's member institutions have facilitated the formation of countless new job-producing enterprises, as well as the development of new offices, shopping centers, warehouses, condominiums and single-family homes.

Looking beyond the Florida peninsula, FIBA has helped the United States build stronger trading relationships with Latin America and the Caribbean, while responding to the cyclical ups and downs of that evolving marketplace. FIBA's leaders have also supported the reduction of trade barriers and the adoption of the North American Free Trade Agreement (NAFTA), as well as supported the efforts of the Free Trade Agreement of the Americas (FTAA), whose mission was to bring (if signed) the future FTAA headquarters to South Florida.

A Positive Force for Members, Businesses and Consumers

For the past 40 years, FIBA has been a positive force for its members, facilitating the development of professional and personal relationships throughout the Americas, the Caribbean, and Europe. The advances in communication technology (from telex and fax machines to the computer and Internet, as well as back-office operations and international call centers) have only served to enhance the contribution of FIBA's members to expanding economy.

For consumers, FIBA has been a consistent advocate for a fair, honest and ethical international banking environment since the early 1980s. FIBA has also actively supported anti-money laundering legislation and recent anti-terrorism financial security laws like the USA Patriot Act, which are designed to protect the financial system.

Today, FIBA is a dynamic and effective organization with more than 64 domestic and international financial institutions from 22 countries, as

well as more than 49 supporting members, which includes attorneys, CPA and other consulting firms dedicated to fostering international

banking, finance and trade so that residents of Florida and other countries can enjoy the highest possible quality of life.

The Early Years

The Roots of International Banking in Florida



Florida can trace its international banking roots back to 1945, when the Serrallés, Cabassa and Ferré families of Puerto Rico established Pan American Bank of Miami in South Florida to serve their customers from Cuba and the Caribbean islands.

The growth of air travel in the 1950s favored Miami's strategic location and made it more convenient for executives from the Caribbean, Central America, Colombia, Venezuela, and other countries, to establish business relationships in the United States. Modern airport and seaport facilities in Miami made the city a natural destination for U.S. banking, trade and investment service.



When the Castro regime took power in Cuba in 1959, many successful Cuban bankers and businessmen were forced to leave their homeland and they fled to Miami. This exodus of talent strengthened the city's financial institutions and nurtured the growth of émigré businesses. U.S. corporations that had to leave Cuba also began turning to South Florida as the new base for their Caribbean and Latin American operations. Miami turned into a city with a bi-lingual workforce and new opportunities were created to serve Spanish speaking customers in Florida.



This exodus from Cuba continued with Operation Peter Pan (Operacion Pedro Pan in Spanish). Approximately 14,000 children were sent by their parents to the United States to escape communist Cuba. Traveling alone, they were re-

located in Miami and other cities across the country in foster homes and orphanages. Many of these "Pedro Pan" children are today's successful community leaders, bankers, businessmen, attorneys, and local, state and national congressional representatives. Some of FIBA's past chairpersons were "Pedro Pan" children.

In the early 1960s, Miami was growing and businesses in Colombia, Venezuela and Panama already looked to Miami, while institutions and investors in Central America gradually began shifting their focus from New Orleans to South Florida. It was a place where they could conduct banking business in either English or Spanish. The Brazilians began arriving with the opening of Disney World in Orlando, Florida in 1971 and increased the number of Portuguese speaking members. Brazil began to look to Miami besides New York as an additional city to conduct their banking services.

As trade increased between South Florida and Latin America, U.S. domestic banks started financing imports from Latin America, Europe and Asia. The First National Bank of Miami (which later became Southeast Bank) was the first bank to set up an international division. International Bank of Miami soon joined First National as a leader in international banking services, including trade financing for Florida companies.

Dr. Felix H. Reyler Arrives from Cuba

On May 8, 1961, Dr. Felix H. Reyler, an exiled attorney and judge, arrived in the United States from Cuba. Soon thereafter, he was hired by Joseph Weintraub, a principal stockholder of Mercantile National Bank of Miami Beach. Reyler created the first Personal Banking Department at Mercantile, specializing in Latin American clients coming to Miami on vacation and shopping trips. Reyler eventually would become the principal founder of the Florida International Bankers Association (FIBA in 1979).

In the early 1960s, Reyler began traveling extensively to Colombia, Venezuela, Guatemala and other countries, promoting Mercantile and Miami as the place to conduct their banking business in Spanish. He felt it was important for these customers to have accounts in the United States, to diversify their holdings and protect themselves and their families from political or economic turmoil in their homeland.

In December 1965, Weintraub sold his controlling interest in Mercantile National Bank and purchased control of Pan American Bank. Antonio Ferré, uncle to Maurice Ferré, who later became Miami-Dade County commissioner, served on the bank's board of directors.



Dr. Felix H. Reyler arrives to Miami with his family from Cuba



Reyler assumed the leadership of Pan American's International Division and with Jose Ramon Garrigo, then assistant vice president, began traveling extensively to Central and South America, developing correspondent banking relationships with the commercial banks in those countries, while also developing the personal banking department.

Reyler's work established the pattern for the personal, private banking and commercial banking services that the banks in Miami continue to provide to Latin American clients to this day.

Reyler was among a cluster of farsighted civic leaders and business executives who shared a vision of Miami as a strategically located crossroad for international banking. Other leaders included William Pallot, chairman, International Bank of Miami, attorney Burton Landy, manufacturers Milton Fisher and Charles McKay who were two of the first businessmen to set up a Miami company focusing on distribution of products to Latin America. Pallot, Landy, McKay and Fisher were the driving force in the creation of the Miami-Dade Chamber of Commerce's International Affairs Council during the 1960's. They were also instrumental in establishing that council's successors – the Board of International Trade and the International Center of Florida, which later became World Trade Center of Miami. The Miami-Dade Chamber of Commerce evolved into the current Greater Miami Chamber of Commerce.



Joseph Weintraub receives Pan American Day proclamation from Dade County Mayor Stephen Clark

"Bankers have always been an important part of the circle of people who have kept the international organizations going", said the late Charles McKay. "They (bankers) believed that Miami was on the path to becoming an international trade and commerce center, and Bill Pallot played a big part."

Landy, whose clients included numerous banks, urged Miami's domestic bankers to recognize the potential of international business and he advised them on setting up international departments.

Promoting Export Financing

In 1967, Pan American Bank created a Foreign Trade Development Division to promote export financing to Latin America using the facilities of the Foreign Credit Insurance Association (FCIA) for short-term trade financing and the Export-Import Bank of the United States (Exim Bank) for medium-term transactions.

Marcos A. Kerbel, one of FIBA's founding officers, joined this division as a trainee in June 1969. He would work at Pan American Bank for nine years and later become senior vice president and resident manager of Israel Discount Bank, (the first foreign bank agency) for 22 consecutive years. As a trainee, Kerbel became as-

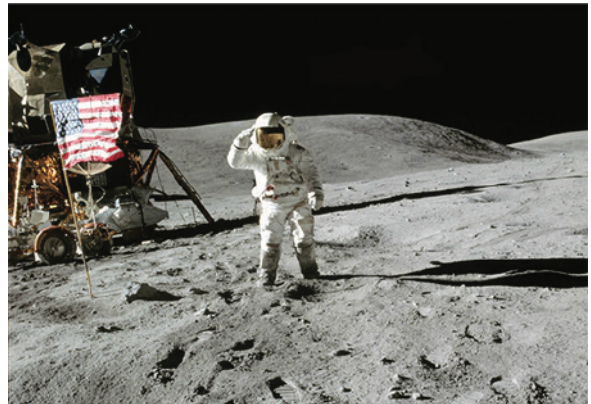
sociated with Reyler, Garrigó and Landy, as well as Admiral Rafael C. Benitez, graduate dean of the University of Miami's School of Law; Tom Flynn, Leslie Cizek, James Wilson and other advisors to the bank's Trade Division (shown below).



With the decade drawing to a close and the different facets of international trade and finance coming together in Miami, Dr. Reyler began planning for the creation of a dramatic mural in the lobby of Pan American Bank to depict the unity of all the countries in the Western Hemisphere. The 800-square-foot mural was unveiled on April 10, 1969, in a special ceremony attended by the Hon. Galo Plaza, then secretary general of the Organization of American States (OAS). Dr. Reyler spoke at the unveiling and exclaimed prophetically, "Miami is the center where the economies and cultures of the Americas unite! (in Spanish: Miami es el centro donde las economías y culturas de las Américas se unen)". This event took place 101 days before the historic landing of the Apollo 11 spaceship which took Neil Armstrong to the moon. "This is one small step for man and one giant step for mankind."



Hon. Galo Plaza unveiling mural



Edge Act Banks Come to Miami

The growth of international banking in Florida was facilitated by the Edge Act, a federal law passed in 1919 and named after New Jersey Sen. Walter Edge. This law permitted U.S. banks to establish subsidiaries in other states to engage exclusively in international business. The Edge Act was later followed by the federal International Banking Act of 1978, which permitted foreign banks to establish Edge Act corporations in the United States.




Original mural from Pan American Bank

Florida's international banking community gained another dimension in 1969, when Citizens & Southern Bank of Atlanta, Georgia (today part of Bank of America) established Citizens & Southern International Bank as the first Edge Act subsidiary in Miami. Citizens & Southern, commonly referred to as C&S, which had a strong presence in Jamaica and did business throughout the Caribbean and Latin America,

viewed Miami as a new and important center for its international operations

“Since the creation of the Florida International Bankers Association in 1979, the Greater Miami Chamber has been a strong advocate of the integral role that international banking plays in South Florida and across our state”, said Tony Argiz, chairman of the Greater Miami Chamber of Commerce and CEO of the Miami based accounting firm, Morrison, Brown, Argiz and Farra, LLC. “FIBA and the Chamber both work to advance international banking in South Florida. Through the Chamber’s active Banking and Finance Committee, both organizations have championed key issues, worked to ensure sustainable ethical standards and have promoted the significance of international banking to the economy of Florida.”


Barry E. Johnson
President & CEO
Greater Miami Chamber of Commerce



“FIBA has played a key role in the emergence of Greater Miami and the State of Florida as a world class business center and the ideal location for international companies seeking to do business in the markets of the Americas. FIBA members should feel justly proud of the great contributions that your association has afforded to Florida’s economy over the last 40 years.”

Manny Mencia

Senior Vice President of International Trade and Development
Enterprise Florida, Inc.



The 1970's

Bankers Take the Lead in Building International Relationships

By the 1970s, the convenience of banking in Miami was becoming evident to many of the Latin Americans who had long been doing their U.S. banking business in New York. Relationship banking developed as Latin American business people became comfortable with the bankers and services they found in Miami. The bankers were knowledgeable about their transactions and they could conduct their business in either English or Spanish.

In 1971, Eduardo Benet, a well-known Cuban banker who had lived in Venezuela and then Milwaukee, moved to Miami to head up the international department at Coral Gables First National Bank, which would soon become Flagship Bank (and later Sun Bank and SunTrust). The Flagship Bank Group, owned by Frank Smathers, also owned three other institutions that emerged in the forefront of international banking - Coral Gables First National Bank, United National Bank and Miami Beach First National - before being merged into a single bank. Two of FIBA's past presidents, Jorge Viera and Fred Brenner, worked for this banking organization.



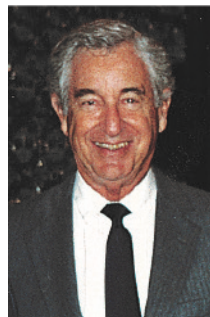
Jorge Viera



Fred Brenner

Other Florida banks, such as Barnett Bank, began staffing international departments. At Barnett and other domestic Florida banks, international departments actually became a bank within a bank. This was also the model followed by Reylor at Pan American Bank during the 1970's and early 1980's. Pan American was sold in 1985 to NCNB, later known as NationsBank and now Bank of America.

Major national banks also established Edge Act subsidiaries in Miami. These included: Bank of America (the second Edge Act bank to open) headed by Fred Brenner, who would become the second president of the Florida International Bankers Association; Chase Manhattan International Bank, headed by Jerald Schneiderman, another FIBA founder; Irving Trust, headed by Sergio Masvidal; Bankers Trust, first headed by Gonzalo Valdes-Fauli, and later by another FIBA President, John Harriman; Citibank; Bank of Boston; and Chemical Bank. After 1978, these banks were joined by Banco Santander, which employed FIBA's past president, Agustin J. Abalo, as well as other Edge Act banks owned by banks headquartered outside of the United States.



Jerald Schneiderman



John Harriman



Sergio Masvidal



Augustin Abalo

These institutions saw their Miami Edge Act banks as an opportunity to profit from accepting deposits from non-U. S. residents and in financing trade with Latin America. Some hoped that their Edge Act banks, limited at that time to international transactions, could eventually enter Florida's lucrative domestic banking market, which at that time was closed to banks with headquarters outside the state. In 1984 banks from southern states were allowed to enter the market, and in 1997 banks from throughout the nation were allowed into Florida through acquisitions of locally based banks.

As U.S. banks established international operations in Florida based in Europe, Latin America, Canada and Asia were also clamoring for the chance to open offices in the state. Domestic bankers initially feared competition from these large multinational banks, especially at a time when Florida had only just approved limited expansion through county-wide branching in 1977.

A Vital Legislative Accomplishment



Rep. Elaine Bloom on the Congressional Floor
Tallahassee, Florida

That situation was about to change. In 1976, state leaders recognized that Georgia was ready to pass international banking legislation that could give Florida's neighbor to the north a competitive edge in attracting foreign business. After a trip to Venezuela, Florida State Rep. Elaine Bloom and State Sen. George Firestone introduced international banking bills (with the support of Gov. Reubin D. Askew and Comptroller Gerald Lewis). Initially, the state's domestic bankers opposed the bill, so the law did not pass that year.



Rep. Elaine Bloom and Lt. Gov. Wayne Mixon

However, leading bankers like Dr. Felix H. Reyler Fred Brenner, Harry Hood Basset of Southeast Bank, and Michael Weintraub, then president-elect of the Florida Bankers Association (FBA), continued in their efforts to pass new legislation that would benefit the entire state. "Dr. Reyler's philosophy was that as more banks came to Florida, the state would become an international center attracting more business and

investment," said Kerbel. "Working together with other community leaders, Reyler was zealous, tenacious, and determined to make that dream reality."



Governor Askew



Gerald Lewis



Michael Weintraub

Their efforts paid off in 1977 when the Florida Legislature passed and Gov. Askew signed the Florida International Banking Act. This new law, effective January 1, 1978, allowed non-U.S. based banks to establish offices in Florida to provide services to American subsidiaries of corporate clients from their home countries, to target clients who did business with their home countries and the United States, or to assist the clients with their financial needs in the United States.

Under this 1977 law, foreign banking organizations were not allowed to acquire state banks, nor could they accept deposits. A later 1979 revision to the Florida International Banking Law allowed the foreign banks to accept deposits from non-resident aliens (NRAs) only.

Trips to New York, Europe



(seated) Cheryl Solomon and Gerri Dolan (standing) Carol Thompson, Lisa Landy, Roberto Muñoz, Pat Roth

Soon after passage of Florida's International Banking Act in 1977. Comptroller Lewis and Gerry Raines Dolan, then director of the Division of Banking, and other staff members, led a delegation to New York. They hoped to convince the international banks in New York to choose Miami as the location for their Latin American operations, including marketing and lending. The Florida delegation hosted a reception at the United Nations building, and Comptroller Lewis and his staff gave a presentation showing the advantages of opening banking units in Florida. "This meeting was an overwhelming success," recalled Lewis. "It was attended by more bank executives than expected, and there weren't enough seats and kits."

Several senior executives of international banks in New York showed an immediate interest in opening offices, including Raphael Recanati and Aron Kahana, then chairman and executive vice president respectively of Israel Discount Bank Limited, Western Hemisphere, New York.



Aron Kahana

They immediately decided to apply, and on January 26, 1978, Israel Discount Bank became the first to receive its license under the new act. The law firm of Paul Landy Bailey & Yacos facilitated the license application process.

banks filed for applications: Bank Leumi Le Israel, Bank of Nova Scotia (Canada), Standard Chartered Bank (UK), Bank Hapoalim (Israel) and Lloyds Bank (UK), which received licenses 2, 3, 4, 5 and 6 signed by Lewis and Dolan.

Meanwhile, Weintraub and Reyler began to contact Pan American Bank's correspondent banks overseas to encourage them to locate in Miami. They were leaders in offering to assist these new banks to find office space, identify legal and accounting services, and hire staff. By the end of 1980, a total of 17 foreign banks had opened agency offices in Florida.



Menachem Benbassat, Marcos Kerbel, & Aron Kahana

After the New York meeting in the fall of 1977, Governor Askew led a mission to Europe and Comptroller Lewis joined in the mission. Lewis took the opportunity to hold additional meetings with European bankers. As a result of the meetings in New York and Europe, the following

“Gracias al espíritu de cooperación y amistad que ha guiado la relación de FIBA y FELABAN durante estos 35 años, nuestras asociaciones comparten una agenda común cuyo fin es la integración financiera y comercial de los sistemas que representan.”

Maricielo Glen de Tobon
Secretaria General
FELABAN 2004

The Concept of FIBA

The creation of FIBA paralleled the growth of international banking in Florida and throughout the Americas in the 1970s and '70s. Within the state, the Florida Bankers Association (FBA) created an international committee, whose active members included Dr. Felix H. Reyler, who would be the primary founder of FIBA, and Fred Brenner, later to become the second president of FIBA. To the south, leaders of major Latin American banks gathered in Mar del Plata, Argentina in March 1965 and formed their own hemispheric banking organization – FELABAN - The Federation of Latin American Banks, which encompasses the banking associations of each of the respective member countries.

During the 1970s, Reyler traveled extensively throughout the hemisphere and attended FELABAN's Annual Assembly, which was held each year in a different member country. Reyler became friends with Fernando Londoño FELABAN's founding secretary general, and with his successor, Maricielo Glen de Tobón.



Reyler and Londoño met several times regarding the importance of holding the FELABAN Annual Assembly in Miami. After several attempts, it was finally agreed to organize a conference in 1976 called the “Encuentro Interbancario para el Comercio Exterior,



Florida-América Latina” (Interamerican Bankers Convention – Florida- Latin America). In addition to FELABAN, the “Encuentro” was co-sponsored by CAMACOL, the Latin Chamber of Commerce. This three-day conference was held from July 28-31 ,1976, at the Sonesta Beach Hotel in Key Biscayne and successfully attracted more than 400 bankers from Latin America, Florida and major U.S. cities. The keynote speaker at the closing ceremony was Lic. Antonio Ortiz Mena, then president of the Inter-American Development Bank, Washington, D.C.

Following the success of this event, Reyler began to think seriously about forming a statewide international bankers association based in Miami. The Florida Bankers Association headquartered in Orlando at that time, had an international committee but the association's primary focus was domestic banking issues.

Reyler and Brenner began talks with the late John Milstead, then executive director of the FBA, to discuss the creation of a new organization based in Miami that would focus on international banking. Reyler's vision was to have a new entity that would complement the work of the FBA, not compete with it. This new entity would become FIBA - the Florida International Bankers Association.



Fred Brenner

Ing the state to foreign bank Institutions would expand and enhance the total bank market and bring increased business to all segments of Florida banking."

Creating the Association

Meanwhile, the number of international bankers in South Florida continued to grow in 1978 and 1979. Although we were all competitors, the arriving group of professionals had many questions and common interests. We would strongly compete during the day and be friends at night.



Aron Kahana (Israel Discount Bank), Jacob Nurock (Bank Leumi), Alex Yuhjman (Bank Hapoalim) Competing Israeli Bankers

By March 1979, Reyler realized that conditions were ripe for the creation of FIBA. Dennis Nason, who became FIBA's third president, recalled the creation of the association: " When we first met in Felix's office, the need was to share information among the banks. Before FIBA was formally chartered, we would have a series of after-hour cocktail parties, mostly among the heads for the foreign banks. Most of us were just getting our banks started and many of the heads had never run an international division before. We were all looking for people, space, contractors, architects and computer systems. We shared information freely on salaries, cost, people, etc. Most of the banks were set up to lend, conduct correspondent banking and trade finance, while some of them provided persona l and private banking services. The heads of the banks were, for the most part, the rising stars in the banks. Miami was considered a top post and attracted the highest level of bankers, which brought with it more interesting and complex business opportunities. Miami was a career stepping stone."



"As we grew there was nearly a unanimous consensus that the more banks that came to Miami, the larger the market would become, and the more opportunities it would create for everyone," Nason added. "When I was running Credit Suisse, Union Bank of Switzerland came to town to look into opening an office. I shared a good bit of information with them. They were surprised, as the banks were strong rivals. When asked why I would share so much information, I replied that it was in everyone's best interest to have more and better banks and a larger market. This type of cooperation just did not happen in other markets and that type of openness and cooperation still exists to this day and is one of the reasons why FIBA has prospered."

This spirit of mutual cooperation within the international banking industry, combined with Dr. Reyler's vision, led to the formation of FIBA.

With his outgoing, affable character and classic smile, Reyler had developed strong personal relationships with the heads of the international departments of the competing domestic banks as well as the non-U. S. banks. He represented all the good that resulted from the cooperation among banks in the newly emerging international banking industry. Having established relationships at Pan American Bank with many of the international banks, Reyler welcomed these newcomers to the city with open arms. Virtually everyone he approached supported the establishment of a specialized banking association.



Felix Reyler and Burton Landy

Reyer and Kerbel, who had worked together at Pan American Bank, spent many nights discussing the future structure of FIBA and the pros and cons of each alternative. Reyler's concept was that the organization should represent the individual interests of each of the international banking segments - domestic banks with international divisions; Edge Act banks and foreign banks - to better foster the development of international banking in Florida, while providing financial services to customers, employment to the community, and a satisfactory return on equity and assets to each member bank.

"He felt that the banks should operate in an environment with the highest standards of ethical and legal practice and with the support of the banking regulators in a spirit of collaboration for the common good," said Kerbel. "As a well-rounded, educated former attorney and judge in Cuba, Reyler knew well the principles written in Ethics of our Fathers about 2000 years ago. One of these principles states that in life there are three crowns: The crown of study, work and law obedience; the crown of priesthood, and the crown of kingship; but the crown of a good name is superior to all. This principle is still valid, but today we refer to it as "reputational risk."

A Ceremonial Signing

On Friday, July 6, 1979, a meeting was held in downtown Miami at the offices of Paul Landy Bailey and Harper, Attorneys at Law, to officially sign the Articles of Incorporation for a proposed non-profit association to be known as the Florida International Bankers Association (FIBA). The association was also registered

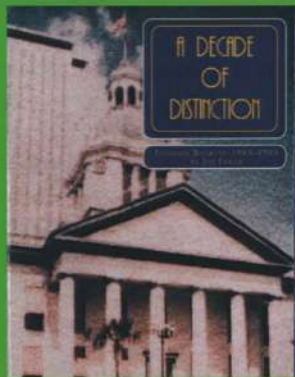
with its Spanish translation: Asociación de Banqueros Internacionales de la Florida (ABIF). The following individuals were present to sign the respective documents of incorporation:

- Felix H. Reyler, vice chairman, Pan American Bank N.A.
- Fred Brenner, executive vice president and head of the International Division of Flagship National Bank
- Henry Cainas, senior vice president, Florida National Bank
- Nicholas L.S. Cross, vice president and manager, Lloyds Bank International
- Marcos A. Kerbel, vice president and resident manager, Israel Discount Bank Limited
- Burton Landy, founding partner, Paul Landy Bailey and Harper, Attorneys at Law • Evelia Ley, Evelia Ley & Associates
- Jerald Schneiderman, president, Chase Manhattan Bank International, Miami



Marcos Kerbel, Burton Landy, Nicholas Cross

"The Florida International Bankers Association has played a leading role in helping Florida's business community and state government officials understand the important role of international banking in the state. FIBA and its members also have been instrumental in helping Congress and officials of federal regulatory agencies understand how international business works in Florida, and how foreign banks are a vital part of that business. Testimony to FIBA's role can be found by reviewing the international banking laws and regulations that have been passed since 1979. Or, just look at a list of proposals that legislators and regulators did not pass after they listened to FIBA's explanation of how those proposals would harm Florida business."



Jim Freer
Banking and Finance Journalist
Author of "A Decade of Distinction"

Secretary of State George Firestone issued and signed FIBA's charter on July 31, 1979, under charter number 748242. In the beginning, FIBA membership would be limited to commercial banks actively engaged in international banking. Membership would later be expanded in 1990 to include broker dealers and other financial service providers, as well as non-financial entities such as attorneys, CPAs, and others.



Tania Gomez

One of the first board decisions was to adopt a logo. The board chose one designed by Tania Gomez, administrative assistant at Israel Discount Bank. The logo symbolized FIBA's vision and mission: a globe with Florida as the unifying center for commercial and financial agreements, professional collaboration, and personal friendships.

The board also approved the hiring of an external year-end auditor, to maintain independent financial controls and reporting to its members. It selected Aristides Mendez-Insua, CPA, as FIBA'S first independent auditor; he performed



Aristides Mendez Insua, CPA

his functions practically on a pro-bono basis. Subsequently, Marcos A. Guerra, CPA, agreed to provide auditing services for a fraction of their value. Continuing in this tradition of fiscal responsibility and transparency, FIBA currently engages the firm of Morrison Brown Argiz & Farra CPAs, as external independent auditors.

As of December 31, 1979, there were 13 member banks. During 1980, the membership increased by another 30 banks for a total of 43 as of December 31, 1980. Members included domestic banks, 15 Edge Act banks, and 15 foreign bank agencies and representative offices.

Organizing the Association



Burt Landy (center) receives plaque from FIBA presidents McCollom, Capablanca and Nason

During the initial year of FIBA's organization, (1979-80), the directors focused on promotion of membership and formation of policies. Kerbel, as founding treasurer, prepared the first budget with annual membership dues set at \$500. Because Reyler and Landy were both active in the International Center of Florida, a cost-saving alliance was reached where the International Center, and later the World Trade Center Miami, would provide basic administrative support to FIBA for a modest monthly fee. FIE later honored Landy in recognition for his vital role as the association's founding general counsel and his continued dedication and service to de Stephen Sternfeld, Coleman Travelsted, and later Charlotte Gallogly, assisted by Ivan Barrie actively provided support to FIBA's operations until 1994, when Patricia Roth was hired as full-

time executive director. Until then, most of the work of running FIBA still fell to the volunteer president, who managed FIBA's activities from his or her bank's office.



Coleman Travelsted



Charlotte Gallogly



Pat Rot

Organizationally, FIBA originally followed a calendar year, January through December. But it soon became clear that January was one of the busiest months for the international bankers, while July was very quiet. Nason recalled, "It became important for FIBA to have the Fall to prepare for the legislative session in Tallahassee, rather than have the FIBA president take office just as the legislature was coming into session." Nason was the FIBA president during this period, and the board asked him to extend his term to 18 months to accomplish the rotation.

Soon after its founding, FIBA became a correspondent member of FELABAN - the Federation of Latin America Banks. Also, following its educational mission, FIBA, together with six other



An early Interban graduate with Dr. Bob Grosse, Dr. Duane Kujawa, and Marcos Kerbel

local banks, sponsored at Florida International University (FIU), the then recently created Advanced International Bankers Executive Course (AIBEC). It was an intensive two-week seminar on international banking taught in Spanish for Latin American bank managers. The course was later shortened to a one-week course, and renamed INTERBAN. The course was offered through the University of Miami, and later Thunderbird University. It had the support of as well as many as 25 of its member banks and FELABAN. This successful program was offered annually for more than two decades and was attended by over 1,000 bank executives. Professors Duane Kujawa and Robert Grosse were instrumental in developing and conducting the course together with Kerbel, who had proposed the idea. From its inception, FIBA always saw education as a critical component to the success of international banking.



Latin American banking executives at Interban course in Miami

“FIBA has been a valued partner to Florida FTAA every step of the way. As we seek to unite the economies of the Western Hemisphere into a single free trade agreement here in Miami, FIBA plays an invaluable role by promoting international banking, finance and commerce in Florida.

For 25 years, FIBA has successfully represented the interests of its members and has engaged in advocacy both locally and nationally. From the educational and training programs it offers to the scholarships it has awarded to talented students in Florida, FIBA continues to be an esteemed leader in our community. “

**Jorge L. Arrizurieta
President Florida FTAA,**

The 1980s

International Banking Grows in Florida

By the early 1980s, international banking had emerged as one of Florida's major industries, supporting billions of dollars' worth of international trade and commerce, primarily with the growing economies of Latin America. Most of Florida's export trade financing was conducted by a handful of domestic banks, the Edge Act banks and the foreign bank agencies, while to a lesser degree most Florida banks were financing imports into the United States. Recognizing this growth, Governor Bob Graham signed Senate Bill 568 into law in June 1980. This law, which became effective on October 1, 1980, created an exemption from Florida's intangible tax and excise tax on documents, and on any international banking transaction relating to international trade or commerce.

As of April 1982, FIBA had 72 member banks comprised of 20 domestic banks, 27 Edge Act banks and 25 foreign banks from 21 countries. In fact, at its high point in the early 1980s, Miami had 32 Edge Act banks - one more than New York City - and the highest number in the country.

An article in Britain's internationally acclaimed Financial Times in October 1983 had already proclaimed Miami "the newest frontier town in international banking." The article added, "Miami bankers stress that this is the logical financial center for this part of the world over the long term."

FIBA Combats Money Laundering

Florida's international banking community was growing in the early 1980s, but several dark clouds were forming on the horizon. Illegal narcotics had become a national problem, and the growth of the drug trade was accompanied by the "laundering" of drug money through seemingly legitimate businesses, including some of Miami's local banks. Federal authorities began to grapple with this problem. In 1981, a combined task force of the U.S. Attorney's Office (led originally by Charles Blau and later by Charles Saphos and Greg Baldwin, Assistant U.S. Attorneys), the DEA, U.S. Customs, and Internal Revenue Service launched "Operation Greenback." These drug-money laundering investigations at several local banks resulted in the arrests of customers involved in the parallel dollar-peso exchange business.

The Bank Secrecy Act of 1970 was the only anti-money-laundering law on the books at that time. It required banks to report incoming and outgoing cash transaction in excess of \$10,000 to the IRS. Subsequent federal legislation, including the Money Laundering Control Act of 1986 and the USA Patriot Act of 2001, would add a plethora of new laws and regulations for the financial services industry.

FIBA's response to Operation Greenback reflected the position of the association since its inception, which is to promote the highest ethical standards in the practice of international banking. FIBA's board of directors immediately took a proactive approach to combat money laundering through the training and education of



“FIBA has an outstanding track record in promoting the growth of international banking in Florida and in the Americas. It offers ??? and members are well respected by government regulators, legislative bodies and multilateral organizations. FIBA is “the go to” organization in the United States for international banking.”

Charlotte Gallogly
President
World Trade Center Miami

its member banks. In 1982, during the presidency of Fred Brenner and at the suggestion of future FIBA president Fernando Capablanca, in the mission statement in its the words "to promote and sustain ethical standards and practices 1n the conduct of international banking." This standard has also been used throughout the years to prevent unethically operated banks from joining FIBA and to expel members who violate the association's standards.

FIBA, through its Education Committee, continued its proactive approach to money laundering prevention in 1983, organizing educational seminars dealing with money laundering prevention, detection and deterrence. The leaders of Operation Greenback were among the early speakers invited by FIBA to teach nearly 200 attendees how banks can protect themselves from being used by narco-traffickers and other criminal elements. More recently, Tom Cash, former head of the DEA, frequently addresses FIBA members on these topics.

Looking back on Operation Greenback and its outcome, former Assistant U.S. Attorney Greg Baldwin praised FI BA's response, "At a time when there was general misunderstanding in the banking community about filing Currency Transaction Reports (CTRs). FIBA took the

lead," he said. "In 1983 FIBA invited prosecutors and investigators to speak to its banking members on the reason CTRs were needed by the government and how and when to properly file them. FIBA was the first organization in the country to take this step, and the members of Operation Greenback recall that this made an immediate positive difference in CTR compliance and in overall understanding of the government's anti-money laundering efforts. Today, FIBA continues to be on the forefront of organizations in the United States in training their member bankers in anti-money laundering prevention.”

The Latin Debt Crisis

Meanwhile to the South, another international banking crisis began brewing in August 1982, when Mexico declared a moratorium on its international financial commitments. Other countries in the region soon followed Mexico's example. A sharp drop in oil prices curtailed Venezuelan investment in Florida. The so-called "Latin American debt crisis" had arrived and lasted approximately seven years. "This was a challenging time for the international banking business in Miami and for FIBA's members," said Brenner, FIBA's second president.

Banking organizations that catered to Latin Americans started to consolidate. Some domestic banks sharply curtailed their lending to Latin America. Several banks closed their Miami Edge Act offices. But the vast majority of foreign-owned banking offices and international

agencies continued to do business and support their Latin American customers with trade finance services.

Throughout the decade, FIBA enlisted the support of the Florida Legislature, Florida Department of Banking and Finance, the U.S. Dept. of Commerce, the Florida Dept. of Commerce (now Enterprise Florida) as well as private sector groups and businesses such as the Greater Miami Chamber of Commerce, in helping Florida companies keep their trade flowing with Latin America. In addition, FIBA invited senior U.S. and international bankers to speak at seminars dealing with the Latin American debt crisis. Florida's international bankers wanted the state to be ready when the Latin American recovery began.



Ivan Cosimi, U.S. Dept. of Commerce with Comptroller Gerald Lewis and Brookes McIntyre

FIBA President Dennis Nason, with the assistance of Martha Barnett, attorney for Holland and Knight, organized the first of FIBA's annual board trips to Tallahassee. They discussed the issue and convinced Governor Bob Graham and his cabinet, including Comptroller and Commissioner of Banking Gerald Lewis and both legislative branches, that the unitary tax would have severe negative effects on the banks and the economy of Florida. Referring to FIBA's proactive approach to this threat, Nason said, "We fought hard and I spent many weeks in Tallahassee working out compromises. It put FIBA on the map in Tallahassee and thereafter FIBA's comments became a respected part of the legislative process."



FIBA receives Proclamation from Governor Bob Graham for support of International Day in Tallahassee

Traveling to Tallahassee Unitary Tax Proposed

In 1983, FIBA members faced another potential problem - this time in Tallahassee. A "unitary tax" had been proposed which would tax all state institutions, including international banks, on their worldwide income - a potentially devastating development.

Deterring Money Laundering

When Leo Corradini became president in 1984, his goal was to maintain FIBA's momentum as the premier banking organization representing the interests of the international banking community in Florida. He also wanted to demonstrate that international banking promotes and encourages ethical standards and practices, while maintaining a dialogue with regulatory bodies responsible for the various sectors of our membership to foster prudent banking



Leo Corradini

practices. By the time the debt crisis reached major proportions in 1984, the State of Florida had issued 51 licenses to international banks to operate agencies, representative offices and administrative offices. However, money laundering was still the main focus of the law enforcement and bank regulatory authorities as well as the press. "I was terrified to be interviewed by the press on the growth of Miami as an international banking center because the question of money laundering would always come up and I was afraid that something I said would be taken out of context recalled Corradini. Fortunately, an article in the July 29, 1984 issue of The Miami Herald included recognition by Andres Oppenheimer of FIBA's work to promote ethical banking practices.

Blood Drive Benefits Community



John Harriman



Isao Korenga, general manager of Fuji Bank, Miami Agency, receives plaque for his and his staff members' contribution to the blood drive.

As FIBA's president in 1985-86, John Harriman added a new dimension to the association by launching a community benefit project with the American Red Cross. FIBA organized a blood drive together. Beginning with a donation of more than 500 pints of blood over the Memorial Day weekend, employees of FIBA and IBOA institutions helped approximately 2,000 people. The project was a success and for several years



Peter Fowler, Charles Dusseau, and Robert Marcuse with Dade County Proclamation for successful Blood Drive



Victor Balestra

continued to increase the number of pints until FIBA became the largest blood donor of any non-profit organization in the area. For its blood collection efforts and accomplishments, FIBA received a proclamation from the City of Miami Beach in 1988. Likewise, in 1989, a proclamation was presented to FIBA on behalf of the Dade County Board of County Commissioners by Commissioner Charles Dusseau, a former FIBA director, who had also been Florida's Secretary of Commerce.

During 1986-87, president Victor Balestra continued FIBA's efforts to be visible with legislators, regulators, the media and the community at large. FIBA also held a number of seminars on regulatory issues, including money laundering and fraud prevention.

That year FIBA led a fight against a proposed sales tax on services, including international

banking transactions. This would have adversely affected Florida as a banking since transactions could be booked in another jurisdiction to avoid this proposed tax. While the sales tax on services passed the Legislature, FIBA was successful in exempting international financial transactions from the bill - a position supported by Comptroller Gerald Lewis and Dr. Wilbert Bascom, then Chief of Florida's Bureau of International Banking.

In 1987, the InterAmerican Development Bank (IDB/BID) held its annual meeting in Miami. Jose Manuel Casanova, a Miamian born in Cuba, was the U.S. appointee as executive director to the InterAmerican Development Bank in 1981. He was instrumental in helping FIBA bring the IDB conference to Miami. Prior to his IDB appointment, he was president of Flagship National Bank of Westland in Hialeah, Florida.

The global marketplace compels countries to become more economically interdependent. Financial institutions and agencies like Exim Bank play a vital role in promoting and financing global trade. Associations like Florida International Bankers Association (FIBA) recognize this vital role. Exim and FIBA have worked together for the past 12 years providing comprehensive training and financial products to Florida financial institutions to make this a reality."

*Augustine A. Grace
Development Officer*

Export- Import Bank of the U.S. 2004



Beryl Roberts, Ivy Cream Harris, Lynn Moeller, Wilbert Bascom, Martha Barnett

This was the first time ever that the IDB held its annual meeting in a U.S. city outside of Washington, D.C. FIBA acted as the host trade organization and enlisted the support of county and city officials, FELABAN and other interested groups, making the meeting a huge success and contributing to the international recognition of Miami as a hemispheric financial center. "The meeting was attended by close to 1,000 delegates from all over the world, despite the difficult economic times that Latin America was going through in the eighties," said Balestra.



Jim Morris, Regional Director of
Export-Import Bank of U.S.

On July 1, 1987, Peter Fowler became President of FIBA and Kerbel became first vice president. Within one month in office, Fowler moved to Barclays Bank and resigned as FIBA president because of his new duties. With unanimous concurrence of the FIBA board, Kerbel assumed the presidency and Fowler continued as first vice president for a second term, giving him the opportunity to become president the following year.

An Alliance with FELABAN

On September 22-24, 1987, FIBA co-sponsored a successful seminar, IV Congreso Latino Americano de Mercadeo Bancario, a Bank Marketing Conference with FELABAN. At that meeting, Kerbel, as FIBA's president, welcomed the Central and South American banker-attendees and suggested that Miami be considered the se-

lected city for the 1988 FELABAN Annual Assembly. He received preliminary support from FELABAN's president that year, Leonidas Ortega Trujillo, and from Maricielo Glen de Tobon, secretary general, but the decision had to be approved by both boards.



Peter Fowler, Marcos Kerbel, Maricielo Glen de Tobon,
Percy Elbrecht, Clemencia de Tobon

When the motion that FIBA become the host for the FELABAN Annual Assembly was presented to the FIBA Board on October 22, a heated discussion ensued. Major banks were still facing significant loan charge-offs due to the Latin American banking and debt crisis. The motion was ultimately approved with two conditions, - all the expenses associated with the conference had to be covered by income from registration fees, and no funds from FIBA's treasury nor special assessments of member banks would be used to cover the cost of social events.

On November 2, 1987, Kerbel and several other FIBA officers traveled to FELABAN's Annual Assembly in Santiago, Chile. When the plane stopped in Guayaquil, home of FELABAN's president that year, several Ecuadorian bankers and their wives came aboard. During the flight, the FIBA representatives suggested to the wives that if they convinced their husbands to vote for Miami as the site for the November 1988 conference, they could do their holiday season shopping while their husbands *attended the conference and met with other bankers*. The idea was well received by these spouses who

quickly transmitted the message to other women attending the conference.



1987 FELABAN Annual Assembly

In Santiago, Chile, on November 7, 1987, FELABAN's board unanimously approved Miami as the next year's site - the first time this banking organization would celebrate its annual event in the United States. Immediately upon returning from Chile, Kerbel created the FELABAN Committee to organize the 1988 event, appointing Robert Marcuse its chairperson. The conference date was set for November 20-23 to coincide with the same week as the Thanksgiving celebration and the beginning of the holiday shopping season. This XXII Board of Governors meeting was a success, with 400 bankers participating. It led the way for future General Assemblies to be held in Miami and FELABAN'S Board of Governors, at that time, approved holding the Annual Assembly in Miami every other year on a regular basis.



1987 FELABAN President Leonidas Ortega Trujillo (far left)

During the 1980s, FIBA continued to follow its mission statements regarding the need to co-

operate and form alliances with other banking associations. On January 22, 1988, FIBA and the Florida Bankers Association, which was then led by president Robert White, agreed to give the president of each association a seat in the other's governing body. It was also agreed that a number of FIBA officers would join the FBA every year on an annual trip to Washington, D.C., providing new international dimensions to FBA's Washington trips, and giving FIBA the opportunity to meet with members of Congress and the bank regulatory bodies. The first joint visit took place a few weeks later and the cooperative spirit continues to this date.

Activity on the Legislative Front

On March 24, 1988, FIBA held a luncheon to celebrate the 10th anniversary of the implementation of the Florida International Banking Act. At the event, FIBA honored State Rep. Elaine Bloom, who had been far-sighted in sponsoring and pushing for the passage of the International Banking bill, together with George Firestone on the Senate side. FIBA presented Rep. Bloom with a plaque and nicknamed her the "young mother of international banking in Florida." a title she enjoys hearing to this day.

During the anniversary luncheon, Kerbel suggested a legislative challenge to the recent "Mario Sanchez" case. Miami Probate Judge Francis J. Chrostoe had ruled on December 30, 1987, that Venezuelan law, and not Florida law as had been assumed, controlled the deposit of funds at Chase Manhattan Bank (Miami) of a deceased Venezuelan banking customer. Kerbel, who was first notified of the matter by Dennis Campbell and W. Peter Burns, attorneys for Chase and the two Sanchez brothers respectively, argued successfully that Florida bankers could not be expected to know the estate laws of every depositor's country of domicile.

Even though the time period for filing bills had passed, a decision was reached at that luncheon to file the "Mario Sanchez Amendment" to

the pending “Choice of Law, Choice of Forum” bill. The decision was noteworthy, because it would be the first time FIBA proposed new legislation.



John Harriman and Governor Bob Graham



Ivy Cream Harris

The original bill and the amendment, prepared by FIBA member attorney Bowman Brown, would permit non-resident individuals and entities to file lawsuits in Florida courts, even though none of the parties was located in this state. Rep. Bloom agreed to help file the amendment.



Jeb Bush in 1988, when he was Secretary of Commerce, supported international banking legislation. Pictured with Miguel Galvis and Clemencia Tobon. FIBA officers



FIBA representatives meet with Rep. Elaine Bloom and her assistant

The amendment would clarify that, unless the parties agreed to the contrary, Florida law would control the deposit contract of any non-U.S. resident alien depositor, regardless of the type of account maintained or the domicile or residence of the depositor. Three House of Representative legislative analysts, attorneys Ross Mc Swain, Ivy Cream Harris and Beryl Roberts, contributed in the drafting of this amendment, as well as attorneys Bill Jacobs, George Harper in Miami and Tom Cardwell in Orlando, the FBA’s general counsel, and James M. Ervin in Tallahassee. In June 1988, the “Mario Sanchez”

Senate Bill 559 became law; it is now codified as section 655.55 of the Florida Statutes.



Tom Cardwell (FBA) and Bowman

Ironically, on April 4, 1989, the Florida Third District Court of Appeals reversed Judge Christie's decision, holding that the Legislature intended to have Florida law control deposits of non-residents, and quoting language from Senate Bill 559. The "Mario Sanchez" amendment was a tremendous first victory for FIBA, especially as FIBA's first attempt to initiate legislation.



George Harper

A Major Economic Impact

Also, in 1988, FIBA contracted with Professor Robert Grosse of the University of Miami to conduct an updated economic impact study of international banking's benefits to the state. The study showed that more than 100 banking institutions had established international banking operations in Florida with 3,500 employees.

Overall, Florida enjoyed a net gain of about \$102 million per year in personal income due to

these banking operations with an overall economic impact of \$791 million in 1987. "Clearly the presence of this highly visible, nonpolluting, professional industry in South Florida has contributed greatly to the state's economy," the study said.

In 1988, FIBA representatives also met with two leading members of the state's accounting profession, Dominic Pino and Norman Rachlin, both CPAs. The goal was to coordinate educational seminars of interest to both groups. Pino became active in FIBA's Board of Directors and continued his involvement for many years.

Carlos Fernandez, CPA, later became an active participant in FIBA's educational programs and also served on the board.



Ali Nason, Carlos Fernandez, and Carol Thompson.



Virginia Bass Wetherell

In 1988, FIBA actively supported another bill in Tallahassee sponsored by State Representative and International Trade and Economic Development Committee Chairperson, Virginia (Ginger) Bass Wetherell. The bill's purpose was to create an International Banking and Trade



Study Commission to review and update the state's international banking and trade law. It

also permitted international banks to receive permanent licenses, which previously had to be renewed annually,

subject to filing necessary financial information and to undergoing Banking Department examinations. The bill received the support of Secretary of State Jeb Bush, State Senators Jack Gordon and George Stuart, and the FBA. The bill passed the House on the morning of the last day of the legislative session, Tuesday June 7, 1988, and Senate Bill 955 was the last bill the Senate passed that night, at 11:57 p.m. three minutes before the end of the session thanks to the intervention of Senator Gordon.

Senator Gordon and Wolfgang Stahlman



Governor Martinez with FIBA bankers at 1988 International Day in Tallahassee



Gary Bliss

Gov. Bob Martinez subsequently appointed FIBA presidents Balestra, Brenner, Fowler and Kerbel to the 15 member international Banking and Trade Study Commission, along with Bowman Brown, Robert Grosse, and Gary Bliss, a domestic Tallahassee banker. The Commission, chaired by Comptroller Lewis, reported to the Governor, the President of the Senate, and the Speaker of the House. The Commission was fortunate to have the support of Wilbert Bascom, David Devick and Deryck Small as well as the legal assistance of banking

department attorneys Reginald Garcia, Mary Catherine Green and others.



David Devick, Dr. Wilbert Bascom, Hilda Walker, Wynnel Dupree, and Deryck Small

A Crisis in Panama

Florida's international banking community was affected in 1988 by the Panamanian banking crisis, when the banking system closed for several weeks and depositors' accounts were frozen. "The media thought that Miami was going to take advantage of the situation to promote our banking center," recalled Kerbel. "I declined several television network requests for interviews on the controversial issue but told Business Week that Miami's banking community would like the crisis to end quickly. We knew the livelihood of 9,000 families in Panama depended on that nation's banking activities. Miami had no interest whatsoever in taking advantage of the situation.



Peter Fowler, Gerald Lewis, Felix Reyler

On June 9, 1988, in recognition of his efforts and accomplishments, the FIBA officers and directors honored Comptroller Gerald Lewis and presented him with a plaque carrying the following inscription:

Presented with warmest personal regards and highest professional esteem to the Hon. Gerald A. Lewis, Comptroller of Florida and Commissioner of Banking for the long term interest, dedication, and support of international banking. We admire his commitment and tenacity in working with the private sector to promote the growth of a vital industry in a rapidly developing state.

Also, in 1988, a FIBA president participated in the selection of a new director of Florida International University's "Center for Banking and Finance." The search committee, headed by Dr. William Welch, professor of Finance at FIU and past chairman of the Finance Department, selected John Zdanowicz, Ph.D., who is an internationally recognized expert for his studies of how the differences in commodity prices have been used by criminals to launder money throughout the world, known today as Trade-Based Money Laundering.



1987-1988 FIBA Board of Directors



The ceremony inaugurating FIBA's new president at the end of 1988 introduced a tradition that the organization observes to this day. Outgoing president Marcos Kerbel threw a black-and-white soccer ball to incoming president Peter Fowler, saying, "The ball is now in your court." Since then, the "ball passing" has occurred at each annual transfer of leadership. The colors remind every incoming president that in the new administration, there will be clear days of joy because of achieve-

ments, and dark days of stress and sadness because of the crises that inevitably arise. Every FIBA president has experienced the periods symbolized by the soccer ball.

Anti-Money Laundering Conference

Peter Fowler, FIBA president in 1988-89, faced the continuous challenge of managing FIBA's relationships with the media and banking regulators regarding deterring, detecting and reporting of money laundering. FIBA held an anti-money laundering conference and presented videos of the proceedings to Comptroller Lewis and to Dexter Lehtinen, U.S. Attorney for the Southern District of Florida. FIBA also met with assistant U.S. attorneys Richard Gregorie and Mark Schnapp, as well as other staff members, the media, and law enforcement agencies to show FIBA's support in the fight against money laundering and other crimes. FIBA continued this relationship with Lehtinen's successor, U.S. Attorneys.

The Florida International Banking and Trade Study Commission drafted Florida's anti-money laundering legislation, Senate Bill 786 (sponsored by Senator, and Commissioner, John Grant), and House Bill 895 (sponsored by Representative Fred Lippman). On June 3, 1989, that act was passed by the Legislature as CS/HB 895 Money Laundering. Other bills originated by the Commission that became law that CS/SB 109, Choice of Law/Choice of Forum and CS/SB 113, International Development Banks.



Robert Marcuse

Ethical issues remained a priority, as FIBA established a "fraud prevention" committee in 1989. "Although at the time money laundering was already the main problem, we preferred to use

that name for the committee as many other types of frauds would continue to exist while, hopefully, money laundering might someday disappear,” said Robert Marcuse, president, 1989-90. During Marcuse’s presidency, FIBA’s by-laws were amended to allow supporting members to join the organization.



Leo Corradini

On a different note, FIBA began in 1989 to financially support The International Academy for Business and Finance, a “magnet program” at Miami Jackson Senior High School, and a member of the National Academy Foundation. FIBA member banks have provided summer internship opportunities to talented inner-city high school students since 1989, giving them the opportunity to acquire firsthand experience of how a financial institution operates and encouragement to continue their college education in business and finance. Leo Corradini, a FIBA past president, was honored for his leadership in this important community-oriented initiative when the National Academy Foundation named him the National Advisory Board Champion in 2001.

At the annual membership meeting in May 1989, FIBA's Board of Directors requested all member banks to endorse the "Statement of Principles, an International Code of Ethics" that the board had approved. This statement was issued in December 1988 by the Basel Committee on Banking Regulations and Supervisory Practices, for the prevention of criminal use of the banking system for the purpose of money laundering in accordance with international banking regulations. The Basel Committee comprises representatives of the central banks and supervisory authorities of the Group of 10 countries, including the Canada, Japan, United Kingdom, Luxembourg, and Switzerland. The statement of principles requires bankers to: (1) know your customer, (2) perform due diligence, and (3) maintain a Code of Ethics, par-

ticularly in the area of drugs and money laundering.



First eight FIBA presidents (Standing:Nason, Fowler, Brenner, Reyler, Corradini, Harriman, seated: Kerbel, Balestra

In the spring of 1990, FIBA for the first time invoked its powers to enforce ethical conduct. The FIBA Board voted to expel Bank of Credit and Commerce International (BCCI) from its membership, after the bank and several officers pleaded guilty to money laundering. FIBA took action even before the Florida Comptroller’s Office revoked BCCI’s license, in January 1991. The bank collapsed worldwide in July of that same year.

“Congratulations to FIBA on its anniversary for the past 40 years, FIBA has provided tremendous leadership in advancing international banking and finance, while enhancing standards and practices of the industry, particularly in the field of anti-money laundering.”

John W. Ryan
President & CEO
Conference of State Bank Supervisor

The 1990s

Supporting Trade Growth

The benefits that the international banking business provides for Florida were never more evident than during the savings and loan crisis and commercial real estate recession that began in the late 1980s. At a time when scores of Florida savings institutions were failing, international banking continued providing jobs at banks and ancillary service firms and helping to reduce the state's glut of vacant office space.

Throughout the 1990s, FIBA's history reflected the economic cycles of Latin America's major nations. For the first seven years of the decade, FIBA's member institutions were an important part of the region's overall expansion and growth. When that growth subsided in the late 1990s, Florida's international banks were able to adapt in order to serve the changing needs of their personal and commercial clients.



FIBA members travel to Tallahassee

During the 1990s, FI BA continued its advocacy efforts by participating in initiatives like "International Days" in Tallahassee, supported by the Florida Secretary of State's office. FI BA members met with legislators, and hosted receptions together with the Florida Council of International Development (FCID).

"In the early years of the Tallahassee trips, there was a tremendous need to explain international banking and its benefits for Florida to lawmakers," said Brookes McIntyre, 1990-91 FIBA president. "It was exciting to be in such a frontier environment. Early reactions of the legislators to being called on by 'foreigners' were interesting. Both sides ultimately found it a unique and rewarding experience." McIntyre added that Florida has been fortunate to have U.S. and State senators and representatives who understood the potential of international



International Days in Tallahassee



Iso Korenga, Fuji Bank, calls home office in Tokyo from Tallahassee during International Days to report how laws are passed in Florida

banking and were active supporters of FIBA's efforts in Washington as well as Tallahassee.

Comptroller Gerald Lewis and State of Florida International Banking Division Chief Wilbert Bascom were receptive to helping the international banking community. "They tried to anticipate the industry's needs," said Nason. "International banking was a jewel in the state's business community."

But Kerbel recalls that things were not always easy. On April 17, 1990, FIBA's board members were in Tallahassee to celebrate "International Day" with the governor and members of the cabinet, including Comptroller Lewis, and the legislators. A newspaper reporter had just called the Department of Banking to inquire as to why 700 bank accounts had just been simultaneously frozen at 173 banks. The fourth phase of "Operation Polar Cap" had begun, led by Atlanta based assistant U.S. attorney Wilmer (Buddy) Parker. This massive freezing of accounts was a total surprise to Comptroller Lewis. As Comptroller, he was also Florida's commissioner of banking and the principal regulator of banks operating in Florida. He had not received advance notification.



President Brooks McIntyre with Gov. Lawton Chiles

This unprecedented, surprise freezing of accounts was the result of a drug trafficking criminal investigation. It affected legitimate non-resident customers of Florida banks who were not involved in money laundering. The seizures caused a panic among customers that led to a

reduction in the level of non-resident alien deposits in Miami's banks. Many non-resident aliens avoided Miami's banks for several years.



Rep. Gwen Margolis
Tallahassee



Sen. Bill Nelson, John Zdanowicz. Ph.D
Washington, DC



On April 22, 1991, bankers, lawyers, public officials, academics and local media attended the International Forum on Capital Flight and

Parallel Markets held at the Miami Airport Hilton. The event was hosted by FIBA and FIU's Center for Banking and Financial Institutions, led by professors, John Zdanowicz and William Welch and co-sponsored by FELABAN. Speakers

were Michael Dooley, International Monetary Fund, past FIBA president Robert Marcuse, Carlos Loumiet, local international attorney, Michael Zeldin, U.S. Justice Department, Kirk Monroe, an international attorney then residing in Miami, Alan Gummerson, Patricia Correa and others. Economist Manuel Lasaga summarized the conference in the FIBA newsletter for those who were unable to attend.

New Regulatory Issues

Regulatory issues were another theme that characterized the 1990s. As Clemencia de Tobon, 1991-92 FIBA president, recalled “In my inaugural speech I had the opportunity to mention a topic that would later permeate all banking activity: the idea of deputizing bankers to do work for the government. It now sounds familiar after the Know-Your-Customer rules and the stringent requirements of the USA Patriot Act but at the time it was quite a novelty. We did some pioneering work in those days and broke some new ground.”



William Ryback & Lisa McGreevy

At the federal level, the center of regulatory attention in 1991 was the Foreign Bank Supervision Enhancement Act (FBSEA). Part of the



Clemencia de Tobon in
Washington, DC

FDIC Improvement Act), FBSEA would require foreign banks who wanted to open offices in the United States to have comprehensive consolidated supervision by a single home country bank regulator. “At that time, FIBA was very successful in advocating a number of positive changes that would later be included in the international banking banking bill,”

said de Tobon. “For the first time, we implemented an effort in Washington to inform Congress about the negative effects on the international banking industry if the law was passed in its original version.”

The final version of the law, which was supported by Florida senators Bob Graham and Connie Mack, included several recognizable FIBA provisions.” The results obtained were very positive, especially for FIBA’s image,” she added. FIBA received considerable support from Lesley Wooley, then Senator Graham’s chief legislative assistant.



Nino Lucio and William Ryback



Attorneys Kathleen O'Day and Janet Studley in Washington

Also, in 1991, FIBA took part in the Forum for Latin American Banking Supervisory Authorities and Regulators. This was of historical importance because it was the first time in which top Latin American banking regulators met with their colleagues from the Federal Reserve to discuss FBSEA's impact on Latin American banks.

FIBA's past presidents were active on the Florida International Banking Advisory Council. The council continued the work of the International Banking & Trade Study Commission in preparing for the 1991 sunset of the Florida International Banking Code, Section 663. That work was led in the House of Representatives by Art Simon, Chairman of the House Commerce Committee, and W.C. Childers, on the Senate side. Analysts Todd Kocourek and Jeffrey Jones drafted the respective bills in the House and Senate. The revised International Banking Code section 663 became law in 1992.



Art Simon and Fernando Capablanca with Buz Gorman

Another important development in 1992 was the formalization of FIBA's relations with the Conference of State Bank Supervisors (CSBS). "I invited Jim Watt, president of CSBS, to be the featured speaker at our 1992 installation ceremony," recalled Brenner, who served a second term as president in 1992-93. "This event took place a few weeks after Hurricane Andrew struck Miami and so we had a lunch instead of the normal evening gala." Other FIBA supporters throughout the years have included CSBS's Lisa McGreevy, Robert Richard, Buz Gorman and John Ryan. Watt's successor, Neil Milner, has also worked closely with FIBA's leadership. Interestingly, CSBS has an international advisory council composed of state banking regulators and international bankers. FIBA president Fernando Capablanca has been an active member of this committee for several years.



Florida Sen. Bob Graham and Connie Mack frequently worked together on a bi-partisan basis to successfully advance the cause of international banking in Florida

Sadly, on March 3, 1993, FIBA's founding president, Dr. Felix H. Reyler, died at age 74 of Creutzfeld-Jakob Disease, the rare human version of "mad cow" disease. As a tribute, FIBA established the Dr. Felix H. Reyler Memorial Scholarship Fund at the Dade Community Foundation to memorialize his life and promote his ideals: education, optimism, leadership and international cooperation. FIBA funds at least two \$2,500 scholarships, which are awarded annually to college juniors and seniors based on academic achievement and economic need.



Ruth Shack, Dennis Nason and Rep. Mario Diaz Balart with FIBA check for the Felix H. Reyler Scholarship and the Academy for International Business and Finance at Miami Jackson Senior High

With the growth in FIBA's membership and active initiatives, it became evident that a full-time executive director was needed. Moreover, FIBA's financial resources would now amply cover this expansion. In 1993, it was agreed to hire an executive director and Pat Roth was recruited to fill the position; she joined the organization in 1994.

Florida Export Finance Corporation Created

In 1993, the Legislature approved the creation of the Florida Export Finance Corp. (FEFC), a product of the Florida International Banking Advisory Council, which continued the work of the Florida International Banking and Trade Study



Todd Koucourek, House Legislative Analyst drafted several international banking bills

in guarantees and loans and an equity of \$11.4 million, according to attorney Todd Koucourek, vice chairman and former legislative analyst. The FEFC is headed by Steve Fancher.

Commission, and whose members included four FIBA past presidents. FEFC had \$1 million in initial funding that could be leveraged five times, for the purpose of granting loans and guarantee private lenders loans to small Florida exporters and has delegated authority from the U.S. Export - Import Bank. The corporation has since grown to \$15.7MM

FIBA faced more regulatory issues during the presidency of Robert G. Duckworth, 1993-94, including home country supervision and testing, a freeze on the licensing and opening of new foreign bank offices in Miami, and anti-money laundering legislation.

In 1994, Miami journalist Jim Freer wrote a book. "A Decade of Distinction, Florida Banking 1983-1993" for the Florida Bankers Association. In recognition of FIBA's long-standing and close collaboration, Freer dedicated a chapter to the role of international banks, featuring FIBA, its leaders and member banks.

In the November 1994 Florida election, Comptroller Lewis, the longest serving comptroller in state history, was defeated by retired Marine Colonel Robert Milligan, who took office in January 1995. Although there were initial concerns that Comptroller Milligan was not familiar with domestic and international banking issues, FIBA soon developed a close working relationship with the Comptroller's office during his tenure (1995-2003) and he was highly supportive of international banking and trade in Florida.

Also in 1994, Art Simon left the legislature to become Director of Banking under Comptroller Milligan, and Wilbert Bascom left the position of chief of the International Banking Bureau, a position he had held since 1981. FIBA officers



Paul Brown, Juan Montes, Comptroller Milligan, Fernando Capablanca, Art Simon and Tony Fernandez

and directors worked very closely with these individuals throughout the years in a private/ public sector cooperative environment. For his efforts in developing Florida's international banking industry, Bascom was named an honorary FIBA member in 1995.

Summit of the Americas

In December 1994, Florida was again in the global spotlight, as Miami hosted 34 heads of state from throughout the Western Hemisphere at the Summit of the Americas. After that historic session, FIBA worked with Florida officials and business leaders to establish two Miami-based organizations to carry out the Summit's goals:

a Commercial Dispute Resolution Center of the Americas (CDRCA) and the Summit of the Americas Center, a research group whose focus includes Florida's role in hemispheric trade.

During the 1990s, international trade surpassed tourism as Florida's leading industry, rising from \$17.5 billion in 1990 to more than \$50 billion by the end of the decade.

A mid-1990s FIBA study reported that total liquid funds invested in South Florida by foreigners exceeded \$50 billion. That study also reported that foreign agency offices, representative offices and Edge Act offices employed approximately 3,000 people in Dade County with a combined payroll of \$83.5 million in 1994.

New Banking Challenges

Legal and regulatory issues continued to be high on FIBA's agenda during the presidency of Percy Elbrecht, 1994-95, and throughout the latter part of the decade. Stiffer regulatory requirements made it more difficult for foreign banks to open offices in Florida.

"FBSEA and Consolidated Comprehensive Supervision (CCS) had been introduced into our lexicon four years earlier and not one single bank from Latin America had been approved during this time," said Fernando Capablanca, FIBA's 1995-96 president. "In fact, some, like Banamex, were forced to withdraw their applications even when they had been approved by the state."

One of FIBA's most noteworthy accomplishments was the enactment of the federal

Regulatory Burden Relief Act, which allowed the Federal Reserve Board to authorize non-U.S. banks from countries who were "working toward CCS." This provided considerable relief to many banks, said Capablanca, "and together with a letter from Senators Graham and Mack to Chairman Greenspan, it provided the basis for new applications in subsequent years."

FIBA continued to take an active stance with federal policy makers in the banking arena. "There was great effort through position papers and meetings in Florida and Washington to persuade the Federal Reserve to recognize the quality of Latin American bank supervision, so as to permit our industry to expand again," said Jim McCollom, 1996-97 president. With the help of the Florida Department of Banking and Finance, FIBA also initiated a securities examination educational course for bankers so they could be sponsored to take the NASD Series 7 exam.



Bill Ryback and Brookes McIntyre

This would allow bankers who worked for banks that were considering opening a broker dealer under the newly passed Gramm Leach Bliley Act, to at least take the exam, although they could only be licensed if they were later hired under a broker-dealer license. Almost 400 bankers took advantage of this special temporary opportunity. On a lighter note, FIBA sponsored its first Comprehensive & Consolidated "CCS" Golf and Tennis Tournament at the Doral Resort and Spa.

Along with a book on the history of international banking in Florida, written at the behest of Fer-

nando Capablanca, FIBA also published a thick compendium of money laundering regulations, prepared by Deloitte & Touche. "This book was valid through the events of 9/11 (September 11, 2001) and the USA Patriot Act, and many sections are as relevant today as they were in 1995," said Capablanca.



Jim Freer, Marcos Kerbel, Miguel Galvis, and Pat Roth with a copy of History of International Banking in Florida published by FIBA in 1996

Reaching Out

Reaching out to other areas of the state, FIBA representatives made several successful trips to Jacksonville, with the support of the Jacksonville Chamber of Commerce. "We also signed

a protocol agreement with the Panamanian Bankers Association, as well as with the International Bankers Association of California, and established a close relationship with CEMLA (The Association of Latin American Central Banks) in Mexico City, which was the genesis of ASBA (Asociación de Supervisores Bancarios de las Américas)," added Capablanca.

As of 1995, FIBA has protocol agreements with a number of organizations, including:

- Asociacao Brasileira de Bancos Comerciais (ABBC). Brazil
- Asociacion Bancaria de Panama, Panama
- Asociacion de Instituciones Financieras Internacionales (AIFI), Mexico
- Association of International Banks and Trusts

- (AIBIT), the Bahamas
- CAMACOL, Miami
- Cayman Islands Bankers Association
- Florida Bankers Association (FBA)
- International Financial Institutions Association in California (IFIAC)



FIBA visit to Florida Office of Financial Regulation (from left) John Harriman, Alex Hager, John Alcorn, Linda Townsend, David Devick and Pat Roth

Closer to home, FIBA has also been a leader in supporting South Florida community organizations, such as collecting funds for victims of Hurricane Andrew in 1992. FIBA presented a check to Alvah Chapman, chairman of the Community Partnership for the Homeless, following the success of a charity golf tournament. FIBA has also actively participated in the One Community One Goal Initiative to create job opportunities in the community.



Helmut Jockel presents check to Alvah Chapman from Charity Golf Tournament



FIBA Charity Golf Tournamen

Rep. Mario Diaz Balart, Lincoln Diaz Balart and Iliana Ros Lehtinen, to mention only a few.

Many years ago, FIBA began holding leadership meetings with the Atlanta Federal Reserve Bank's officers and staff in banking supervision and regulation, including Jack Gwynn, President of the Atlanta Fed, Patt Barron, Bill Estes, Rob Schenck, John Artkinson (who is a frequent FIBA speaker on anti-money laundering issues), and Sue Costello, until she joined a different department at the Federal Reserve Bank, Atlanta and Carolyn Healy and Juan del Busto in the Miami office.

Traveling to Washington



John Milstead, Congressman William Lehman, Clemencia de Tobon

In addition to their annual trips with FIBA, FIBA leaders began traveling to Washington, D.C., in 1988 to meet with the members of Congress, the Federal Reserve Board, and other federal regulators on issues of importance to international banking. The organization of these trips was made possible through FIBA's working relationship with The FBA and the Conference of State Bank Supervisors (CSBS). These important visits continue to this day on an annual basis. During these years, FIBA met with the members of the Federal Reserve Board during their visits, including Richard Spillenkothen, Jack Jennings, Kathleen O'Day, and Bill Ryback and other key individuals in banking regulation and supervision. FIBA also met with members of Congress, including Sen. Bob Graham, Sen. Connie Mack (now retired from the Senate),



Pat Roth, Neil Milner (CSBA) and Tom Noonan in Washington DC, for annual fly-in.

An Economic Downturn



Jorge Viera, Maricielo Glen de Tobon (FELABAN) and Fernando Capablanca

Latin America's economies again took a downward turn in 1997 when the financial problems of Southeast Asian nations - the "Asian flu"-began to impact other developing nations. Risk-averse capital market lenders began pulling back from the region, and many South American

nations were faced with severe financial pressures and economic recessions.

However, FIBA's leaders helped pull the hemisphere's banking community together later in the year when Jorge L. Viera, 1997-98 president led a FIBA delegation to Santiago, Chile. They urged FELABAN's board to consider Miami for its November 1997 Annual Assembly. "For FIBA, the Miami conference would involve a substantial financial commitment and the memorable convention," said Viera. "The convention was an enormous success. Attendance tripled to more than 1,300 guests, making the conference the largest in FELABAN history. Miami played host to senior executives from 40 different nations."



Jorge Viera receives proclamation
from City of Miami Commissioner Willy Gort

The positive momentum continued into the following year, when FIBA and FELABAN reached an agreement to make Miami the location of choice for every other year's prestigious Annual Assembly. More than 1,000 bankers from 40 countries would meet in Miami on a biennial basis to conduct business. The meeting has become a magnet for international financial institutions.



Diane Ashley

"For me personally, the most gratifying part of this special year was leading the search to find a good use for some of the FIBA 'profits' from the FELABAN conference," said Diane Ashley, 1998-1999 president. "We centered on one of the core values of FIBA, education, and further refined that to mean higher level education. We ended by defining a Professorship in International Finance at Florida International University."

FIBA contributed \$100,000 to set up an endowment fund at FIU. Dr. Emmanuel N. Roussakis, finance professor and subsequently department chairman, was named the first FIBA Professor.



continued to work closely with FIU, including with Provost Mark Rosenberg, Vice Provost Raul Moncraz, Jose de la Torre, Dean of the Chapman Graduate School of Business, William Welch, Chairman, Finance Department, Professor and former department chairman John Zdanowicz, as well as Vince Daniels, Director of the Office of Professional Education, and David Wernick, Research Director, Knight Ridder Center of Excellence in Management.



John Harriman, Dennis Nason, Dean Joyce Elam (FIU) and Agustin Abalo

software and hardware to avoid the feared “Y2K” (year 2000) dating problem. Fortunately, these technology efforts paid off, and the hemisphere’s banks entered the new millennium without incident.

As the year 2000 approached, FIBA, under the direction of Keith J. Parker, 1999-2000 president, helped members update their banking
[Dr. Emmanuel Roussais, first FIBA professor at FIU](#)

Dr. Roussakis retired in 2003. In August 2004, this professorship was bestowed on Dr. Krishnan Dandapani, also professor of finance and former department chairman, on the recommendation of Joyce Elam, executive dean, FIU School of Business. During these years, FIBA

“I congratulate the Florida International Bankers Association (FIBA) for the active role they have played in support of the international banking community over the last 40 years. FIBA has provided much needed training over the course of this time through their forums and events. They have also provided timely and relevant information to its members through various informational channels. FIBA has served the important role of being a collective voice for Florida’s international banks, especially on regulatory matters. I know that my colleagues and I are pleased with the association that FIBA has established with the banking regulators and look forward to their continued success in years to come. “

**Juan C. Sanchez
Vice President Federal Reserve
Bank of Atlanta**

The 2000s

Reporting and Disclosure Regulations

A more serious issue was Washington's ongoing push for greater reporting and disclosure regulations in international banking. Marcos Pereira, 2000-01 president, said FIBA board members made numerous trips to fight non-resident alien (NRA) reporting requirements that had been proposed by the staff of the Treasury Department on January 17, 2001, just three days before the departure of the Clinton administration and President George W. Bush's inauguration. The proposal would have required banks to report non-taxable interest paid to non-resident customers. FIBA's efforts would result in an eventual victory the following year under the Presidency of David Konfino.

Marcos Pereira recalled one of FIBA's Washington trips when FIBA and the CSBS visited the Federal Reserve. "I remember meeting Federal Reserve Chairman Alan Greenspan in the Federal Reserve's impressive board room," said Pereira. "As soon as he entered the room and greeted the participants, Mr. Greenspan made the following statement:

'Please feel free to ask me any questions you want. I promise to answer all of them, but I have to advise you that my answers will not necessarily have any connection to the questions.' He is a smart man."



Miriam Lopez, past



Marcos Pereira

[president of Florida Bankers](#)

David Konfino, 2001-02 president, continued to lead the efforts to defeat the IRS's original NRA reporting proposal. If passed, the regulation would have irreparably damaged the confidence of foreign depositors in the US banking system, by making them fear for the privacy of their financial information. The withdrawal of the proposed regulation was another example of FIBA working closely with other banking associations to achieve a common goal – in this case, the Florida Bankers Association, the Conference of State Bank Supervisors, and the Institute of International Bankers in New York. As CEO of the Florida Bankers Association, Alex Sanchez played an important role in this effort, as well as Miriam Lopez, then president of the FBA, Congressman Dr. Dave Weldon and a bi-partisan Florida delegation that also opposed the regulation. Industry, legislators and regulators worked together to defeat a regulation that could have caused a serious banking liquidity crisis.

Also, in 2001, FIBA co-hosted the 34th FELABAN Congreso Latino Americano de Automatizacion Bancaria (CLAB) Banking Technology Conference, which brought more than 800 attendees to Miami. Since then, this leading-edge conference has returned two additional times to Miami and the next conference will be held in September 2015.



Speaker Neisen Kasdin, former mayor of Miami Beach, at FELABAN and FIBA CLAB Technology conference in Miami

The 9/11 Tragedy (September 11, 2001)



David Konfino

“The most memorable event of my presidency was our decision to carry on with the third FELABAN meeting in Miami, just two months after the tragedy of September 11, 2001 and in the midst of

Hurricane Michelle,” said Konfino. “Despite these two events, we were able to attract former U.K. Prime Minister John Major as our featured speaker and had more than 1,300 attendees from all over the world. At the time, this was one of the best attended FELABAN conferences, and it became a stimulant for Miami’s sagging tourism and a boost for international banking right after the tragic events of 9/11.”

Although economic conditions worsened in Latin America after September 11, 2001, FIBA continued to play a leadership role in the banking industry, according to Alberto Valdés, 2002-03 president. FIBA was able to respond effectively to extensive new government security rules and regulations, he said.

As FIBA president, Valdés continued to host meetings in Miami between regulators and bankers, inviting the OCC, the Federal Reserve and the State of Florida to participate in a dialogue on the implementation of new anti-money laundering requirements. Also, during his presidency, FIBA members were faced with the most recent Argentine monetary and banking crisis,

which began in December 2001. The crisis shut down the Argentine banking system and affected a number of Miami banks.

Further challenges continued during Tom Noonan’s presidency, (2003-04), as the costs of complying with new federal security and transparency regulations, including Graham Leach Bliley, the USA Patriot Act, Sarbanes-Oxley, and the forthcoming Basel II continued to grow. FIBA directors traveled to Washington to make sure federal regulators heard the voice of



Florida’s international banking industry. Noonan had identified three major goals for FIBA during his presidency: to help members to comply with the increasing number of banking regulations, to identify new business opportunities for the banks, and to continue to support Miami’s role as a hemispheric banking center.

“Since moving from Miami to Washington four years ago, I have witnessed the increased efforts of FIBA to accelerate its regulatory and compliance initiatives with workshops, conferences, seminars, and courses.” recalled former president Peter Fowler. “FIBA continues to represent its constituency extremely well during increasingly challenging times for international financial service companies.”

Noonan also hosted the 2003 FELABAN Annual Assembly, where Governor Jeb Bush gave the opening remarks and speakers included Randy Quarles, Under Secretary of the Treasury, Henrique Meirelles, president of the Central Bank of Brazil, and Paul Gigot, editorial page editor of The Wall Street Journal.



Gov. Jeb Bush speaking at FELABAN Assembly 2003, Miami



Linda Charity and Linda Townsend, Florida Office of Financial Regulation

A Global Gateway

In the early 2000s, Florida continued to play a pivotal role in world trade. The South Florida region handled more than \$26.4 billion in Latin American exports in 2002, more than any other state in the nation, as well as \$25.3 billion in imports. Miami offers more flights to Latin America than all other U.S. airports combined, and is the largest U.S. international freight airport with 1.38 million tons shipped in 2002. FIBA members support that trade flow, and the World Trade Center Miami has recognized FIBA with its prestigious International Achievement Award.

Other factors indicate that the long-term prospects for economic growth in Latin America re-

main extremely positive. The lowering of tariff barriers through regional trading agreements like NAFTA and CAFTA – as well as the potential implementation of the Free Trade Area of the Americas (FTAA) - can significantly accelerate the flow of goods and services throughout the hemisphere. Former ambassador Charles (Chuck) Cobb, chairman and Jorge Arrizurieta, executive director, with support from Governor Jeb Bush, economist Tony Villamil, a former banker and Under Secretary of Commerce under the first Bush Administration and Chairman of the Governor's Council of Economic Advisors, actively worked to bring the Secretariat to Miami. FIBA member Carlos Loumiet was also active with the Florida FTAA.

With its strategic location, convenient meeting facilities and cosmopolitan multilingual and multicultural population, Miami was a leading contender to host the permanent secretariat of the FTAA. Supported by FIBA as a trustee, the Florida Free Trade Association of the Americas, promoted South Florida as the secretariat site.



Carlos Loumiet and Oscar Bustillo

Although the FTAA did not materialize, Miami remains synonymous with Latin American banking in the global financial community. As of year-end 2003, Miami was home to more than 70 domestic and international banks from 18 countries. That included nine Edge Act Banks with \$5.6 billion in deposits and 30 foreign bank agencies with \$13.2 billion in deposits.

Advanced Florida Banking

In the 2000s, FIBA continued its visits to Tallahassee, meeting with the Florida Depart-

ment of Financial Regulation, which replaced the state Comptroller's office in 2003. FIBA also worked closely with the State's Chief Financial Officer Tom Gallagher in a dynamic environment and with the same spirit of collaboration, understanding and mutual respect, as FIBA had enjoyed with his predecessors, Gerald Lewis, and Col. Robert Milligan, since FIBA's founding.



J. Antonio Villamil



Tom Gallagher



Alex Hager



Florida Office of Financial Regulation- Teresa de los Rios, Holly Henson, Haydee Gilliam and Don Saxon

FIBA also worked with Don Saxon, Director of the Office of Financial Institutions and Securities Regulation, as well as Alex Hager, Linda Charity, Linda Townsend, David Devick, and Haydee Gilliam. Throughout the years, FIBA had also had excellent cooperation from Larry Fuchs, Deputy Comptroller, Rod Jones and Terry Straub, who served as former Directors of the Division of Banking when Gerald Lewis was Comptroller, and Art Simon former director un-

der Comptroller Milligan, as well as Doug Johnson, who later joined the ABA.

In this spirit, FIBA honored Antonio Fernandez, former area financial manager, Florida Department of Financial Regulation, in 2003 upon his retirement. Fernandez' understanding of international banking issues, acquired over a career of more than 20 years, was symbolic of the depth of knowledge of international banking issues by the regulators of the State of Florida.

At the request of the Florida Department of Financial Regulation, FIBA leaders formed a task force in September 2004, that worked on the state's International Banking Code (Section 663), which was passed in 1992. FIBA presidents Fernando Capablanca and Marcos Kerbel and attorney Bowman Brown (who all served on the International Banking and Finance Advisory Council) were joined by Alberto Gonzalez, and attorneys Clemente Vazquez-Bello and Alcides Avila. The Task Force recommended changes to the legislation that year.

FIBA played a key role in building support for a 2005 law that allowed foreign insurers to sell life insurance and annuity contracts from Florida to non-U. S. residents. Developed by attorney Bowman Brown, a longtime FIBA member, this legislation was signed by Gov. Jeb Bush to enhance the development of Florida as a broader international financial center." The legislation could create new, high-paying jobs in Florida while elevating Florida's stature as an international insurance center," Brown said.

Since 2006, Florida has approved applications from the following offshore insurers that have qualified pursuant to the international offshore insurance legislation: Bupa, InvestLife, Lombard, Old Mutual International Isle of Man Limited, Private Estate Life, and Zurich International Life Limited.

FIBA continues to recognize individuals who have played important roles in the long-term growth of the state's international banking

industry. FIBA member attorney Nino Lucio was named an honorary FIBA board member and honorary association member in 2004, for his work on international banking issues over a career spanning more than 25 years.



Attorney Bowman Brown



Attorney Nino Luci

“At a time when there was general misunderstanding in the banking community about filling Currency Transaction Reports (CTRs), FIBA took the lead. In 1983 it invited prosecutors and investigators to speak to its banking members on the reason CTRs were needed by the government and how and when to properly file them. FIBA was the first organization in the country to take this step, and the members of Operation Greenback recall that this made an immediate positive difference in CTR compliance and in overall understanding of the government anti-money laundering efforts. Today, FIBA continues to be on the forefront of organizations in the United States in training their member bankers in anti-money laundering detection and prevention.”

Gregory A. Baldwin
Partner

Holland & Knight Former Chief Operation Greenback



Attorney Gregory A. Baldwin Humberto Banuelos, Alcide

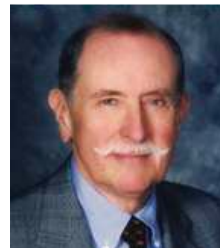
FIBA's supporting member attorneys continue to be recognized for their contributions to international banking. Alcides Avila, visits Washington D.C. with FIBA to explain the impact of proposed banking legislation. Clemente Vazquez-Bello, trained FIBA members for many years in anti-money laundering compliance. His expertise and international experience led FinCEN to name him as a member of the FinCEN BSA Advisory Committee. (The Bank Secrecy Act, known as BSA, is the original legislation that now requires banks to have an anti-money laundering program). Bowman Brown has been active on the legislative front, both locally and nationally, and worked closely with FIBA banks on the implementation of the Gramm Leach Bliley push out provisions. He also joined FIBA on its annual visits to Washington. Other FIBA attorneys have volunteered their time on the international banking issues, including Board members Rick Zelman, member of the Jay Malina International Trade Board, and Carlos Concepcion, member of the International Section of the Florida Bar, co-sponsor of FIBA's Anti Money Laundering Conference, as well as Steven L. Cantor. Founding General Counsel Burton Landy continues to be active in the association.



Attorney Rick Zelman and the late Jay Malina



Attorney Clemente Vazquez-Bello



Attorney Burton Landy Attorney Alcides Avila

Education: A FIBA Priority

Throughout the years, FIBA and its member banks have actively encouraged bank staff members to take courses through the Center for Financial Training (CFT), formerly known as the American Institute of Banking. Many hundreds of staff members over the last 25 years have received a certificate in banking while obtaining an associate degree from Miami Dade College.

Officers and directors of FIBA have participated in CFT as directors and course instructors

throughout the years. In addition FIBA has jointly sponsored seminars with Miami Dade



Attorney Robert Hudon



Attorney Steven L. Cantor

Dade College's President Dr. Eduardo Padron, Campus President Jose Vicente, Business Studies Chair Harry Hoffman, professor Maureen O'Hara and many present and past faculty members and administrators, such as Jesus Fernandez, a former banker.

To further its educational mission, FIBA has held numerous joint seminars with the Florida Bar Association through the years, with attorney Carlos Concepcion playing a leadership role.

Wayne Crowell and Jose Tuya, Office of the Comptroller of the Currency (OCC), has organized several regulatory seminars with FIBA and the OCC. The FDIC has been a speaker at several FIBA anti-money laundering conferences in Miami.



John and Grace McGuire



The late
Darlene Nason

Many FIBA supporting members and others, including John and Grace McGuire, Bruno Wyler, and the late Darlene Nason, have volunteered their time to give seminars to FIBA members on

compliance, risk management, technology, and human resources issues. FIBA member Robert Hudson, Esq., has given a number of seminars on international tax treaties and legal structures. Al Townsend has assisted FIBA in offering educational programs through the association's Website.



Celebrating 25 Years of Success



The first edition of "Leading the Way: The Comprehensive History of International Banking in Florida," was delivered to all the participants at a black-tie gala dinner at the Biltmore Hotel in Coral Gables during the evening of October 22, 2004. This beautiful event was in celebration



of the development and growth international banking in Florida, as well as the 25th anniversary of the creation of FIBA, on July 6, 1979. Almost 300 bankers, accounting and legal professionals, civic leaders, journalists and public officials attended the event.



For this special occasion, Governor Jeb Bush sent a congratulatory letter, saying, *"I am honored to congratulate the Florida International Bankers Association as it celebrates its 25th year anniversary. Florida has achieved worldwide recognition as a leading center for trade, tourism and financial services, as result of FIBA's relentless efforts. We thank you for placing Florida at the vanguard of international commerce."*

Advocacy efforts



In December 2004, FIBA officers and directors led by Agustin Abalo, Tom Noonan, Fernando Capablanca, Alcides Avila, and other directors flew into Washington, DC to meet with Conference of State Bank Supervisors (CSBS) and members of Congress to keep them abreast of the developments and the impediments in doing business internationally.

FIBA leaders made another successful advocacy trip to Washington in May 2005 to visit senior officials of the Federal Reserve, OCC and FinCEN as well as members of the House of Representatives and Senate. The purpose of the trip was to express FIBA's concern about the loss of business transactions, and bank correspondent relationships as a result of the burdens, pressures and costs of the 1970 Bank Secrecy Act (BSA) and Anti-Money Laundering Compliance (AML) resulting from the implementation of the USA Patriot Act of 2001.

Meanwhile, FIBA continued to educate the international banking community about these important issues. For instance, the 6th annual Anti-Money Laundering Conference in 2005 reached new heights in attendance and revenues from sponsoring organizations. John Rodriguez also started a weekly newsletter to keep the membership informed of our efforts, challenges and accomplishments.

Facing New Challenges



When Seno Bril, who was senior vice president and manager of BNP- Paribas, Miami Agency, became president in May 2005, FIBA was facing new challenges. "The bank regulatory environment has become a real minefield, between the scandals of corporate governance and the ever-increasing threat of terrorism," he said. "The pressures of bankers to serve and protect keep more than one manager awake at night."

Bril noted that some international banks were re-thinking their strategies and moving their relationships from Miami to rival financial centers in Panama, England and Switzerland. "Without a well-functioning and competitive market, the business will go somewhere else," he said.

Several months later, Linda Charity, who headed the Florida Office of Financial Regulations (which licenses and examines state char-

tered domestic banks and agencies and branches of international banks) and is now a bank consultant, called for greater communication between the public and private sectors.

Speaking to international bankers in Miami, she asked FIBA to designate a representative to speak with state examiners about the principal issues affecting member banks and assist with training the regulators.

Hosting Hemispheric Conferences

In November 2005, FIBA organized the FELABAN Annual Assembly with record attendance of more than 1,000 participants. Five months later, the late Clemente Vazquez-Bello led FIBA's annual AML conference, with the co-

sponsorship of FELABAN, which drew 700 attendees from the United States and abroad. "Our conference has acquired enormous prestige and importance," said Clemente. "We bring top people from Washington, D.C. who contribute their knowledge."

During the AML conference, Maricielo Glen de Tobon, executive director of FELABAN, gave a video narration of the long FELABAN-FIBA relationship since the original idea was brought forward by FIBA founding President Dr. Felix H. Reyler to Fernando Londoño, Secretary General of FELABAN, in Bogota, Colombia in 1976.

First BSA/AML Examination Manual



Bank Secrecy Act/
Anti-Money
Laundering
Examination Manual

Federal Financial Institutions Examination Council
Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation,
National Credit Union Administration, Office of the Comptroller of the Currency, Small Business Administration
2014

In an effort to ensure the consistent application of the Bank Secrecy Act and related anti-money laundering regulations, the first BSA/AML Examination Manual containing 272 pages was published by

the FFIEC-Federal Financial Institutions Examination Council (FFIEC) on June 30, 2005. The council, established in 1979, is a formal U.S. government inter-agency body empowered to prescribe

uniform principles, standards, and report forms for the federal examination of financial institutions and make recommendations to promote uniformity in the supervision of financial institutions.

Manual de Inspección
Antilavado
de Dinero/Ley de
Secreto Bancario

In 2005, the council included the Federal Reserve Board of Governors (FRB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA) and

the Office of the Comptroller of the Currency (OCC). In 2010, the Consumer Financial Protection Bureau (CFPB) was added upon the passage of Dodd-Frank Act. The council also established an advisory State Liaison Committee composed of five representatives of state supervisory agencies.

The BSA/AML Examination Manual provided a compilation of the existing regulatory requirements, supervisory expectations, and sound practices for BSA/AML compliance. The most current English version FFIEC manual was released on December 2, 2014 with 442 pages, and the most recent Spanish version was published on February 23, 2011, as a translation from the 2010 manual.

The USA Patriot Act

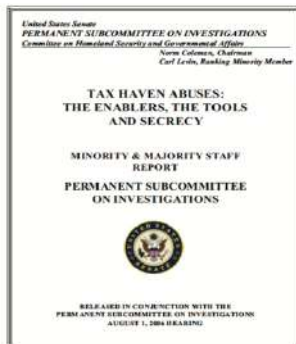
Later that year, the publication of the USA Patriot Act section 312 had a severe impact on private banking accounts with balances of \$1 million or more due to the enhanced due diligence requirements contained therein. Also affected were institutions with only offshore banking licenses, known as "class B" banks, foreign financial institutions, foreign broker dealers, mutual funds and insurance funds within the definition

of foreign banks. Correspondent banking relationships were also affected.

In December 2005, FIBA launched a new education effort with the creation of the AML Institute to provide practical up-to-date training to the staff of member banks with different courses for relationship managers, compliance officers, bank management and directors. The courses were developed by Charles “Chuck” Morley and taught by him and attorneys Clemente Vazquez-Bello and Alcides Avila.

Additionally, Al Townsend of TMC created a three-day course entitled: “Selling to the Right People”. “Selling the Right Product”. “Selling in the Right Way.” About 100 private banking officers of member banks with at least three years of experience took advantage of these courses. The next year, FIBA professor Dr. John Zdanowicz, finance professor at FIU, and an expert on “Trade Based Money Laundering”, presented a seminar on this rapidly evolving global criminal activity. Attorney Bob Hudson gave a seminar on “Client Privacy and Tax Information Exchange Agreements.”

Addressing Tax Havens



In the mid 2000s, the U.S. Senate Investigations Committee, led by Sen. Carl Levin (D-MI) was beginning to expose the abusive practices of U.S. individual taxpayers who were hiding their funds in

“complex corporate structures as shelters” in “tax haven” countries and not declaring their required worldwide income to the IRS, as required by the U.S. Internal Revenue Code of 1986.



Senator Carl Levin

On August 1, 2006 the Senate Committee released a 370-page report, “Tax Haven Abuses: The Enablers, The Tools and the Secrecy.” The report was an attempt to open that “black box” and ex-

pose how offshore and U.S. financial professionals are helping U.S. citizens conceal and secretly utilize offshore assets, while undermining, circumventing, or violating U.S. tax, securities, and anti-money laundering laws.

Under the leadership of Cuban-born president Simon Amich, president of AEIBC-American Express International Banking Corp., FIBA emphasized its commitment to safe and secure banking practices that reflect the highest principles of the banking profession while complying with all applicable laws and regulations. For example, Suzanna Costello, Vice President, Federal Reserve Bank of Atlanta, taught a computer security and technology seminar to FIBA member staffs explaining risks of external and internal attacks to the banks’ computer systems.



At FIBA’s seventh annual AML conference in February 2007, Joyce Elam, Ph.D., Dean of FIU’s College of Business, announced a partnership with FIBA to offer both on-site and online certification in AML and anti-terrorism fi-

nancing. More than 400 of the 1,100 participants from 42 countries expressed interest in taking the AML courses, which may be the first sponsored by an accredited university in the United States. The Anti-Money Laundering Certified Associated (AMLCA) and the Certified Professional in Anti-Money Laundering (CPAML) courses were designed for bank personnel in different departments including senior officers and compliance managers. Successful candidates receive a certificate from FIBA and FIU and can include the designation after their names.

Following the AML conference, FIBA and FELABAN officers met with members of Congress and federal regulators to address timely issues. For example, banks in Central and South America felt they were being marginalized due to more onerous regulations, leading to a reduction in correspondent banking business, a lifeline for trade financing to the region.

On March 29, 2007, FIBA held preliminary conversations with Bill Howarth, CEO of the International Compliance Association (ICA) based in United Kingdom for consideration of a mutually beneficial relationship.

On April 11, 2007, FIBA participated in a U.S.-Latin America dialogue organized by the U.S. Department of the Treasury in conjunction with Asobancaria (the Colombian Bankers Association), FELABAN, and the American Bankers Association. The purpose of the conference in Bogota, Colombia focused on new ways to deter global narcotics trafficking, money laundering, and terrorist financing. David Schwartz, FIBA first vice president, spoke at this international audience.

Setting the Agenda



In his installation in May 2007, incoming president David Schwartz, Senior Vice President and manager of International Compliance Risk Management at Regions Financial Corporation in Miami, said international bankers were facing “the most challenging times of our careers,” due to the importance of compliance with U.S. regulations in an unsettled global financial climate.

“FIBA works with our partners, the regulators, to build consistency in the examination process,” he said. “FIBA has long been recognized by regulators, governments and law enforcement for its knowledge and expertise in anti-money laundering compliance and for our in-depth training programs.”

Schwartz said FIBA’s top priorities for its agenda were establishing an ongoing advocacy program in Washington and developing programs for broker dealers in order to diversify and expand FIBA’s membership base. “FIBA helps us adapt to our changes, and through leadership we can effect the change,” he said. Both key goals were successfully accomplished that year.

During the mid 2000s, FIBA added several new members. Sofisa Bank, RB Premier International Finance (USA), Banco Popular, Caja de Ahorro del Mediterraneo, and Wells Fargo Bank (replacing Wachovia Bank) became financial institution members, and Kaufman and Rossin, CPAs became an active supporting member. Other international banks arrived in Miami, in-

cluding Banco Itau, and Credit Lyonnais. Also, the IDB- Inter American Development Bank conference returned to Miami in 2008.

The Cost of Compliance

When Ramon Usategui, senior vice president of BankUnited, became FIBA president in 2008, he noted that financial institutions have increased their compliance spending 70 percent in three years, largely as a result of the USA Patriot Act. He said numerous high-paying jobs in Florida have been lost because of the international banking regulatory environment, which make alternative financial centers more attractive to some banking clients.

To address that competitive challenge, Usategui said FIBA would focus on four areas: advocacy, education, networking and active member committees. “We are going to look for strategic advocates and alliances to help get our message across,” he said. “We also want to support the networking aspect of FIBA, and learn from each other in real time. We are in a strong financial position, but we want our members to get deeply involved in our initiatives as well.”



At this annual membership meeting Alex Sanchez, president and CEO, Florida Bankers Association (FBA) was recognized with a FIBA Plaque of Appreciation. Thanks to his invaluable knowledge and contacts, FIBA had several successful trips to Washington, D.C. beginning in 1988 during the presidencies of Marcos A. Kerbel at FIBA and Robert (Bob) White, and John Milstead, FBA executive vice president.

Creating ‘Team USA’



Due to FIBA’s strong compliance education programs through the decades, the association was invited to meet with the government’s SAR (Suspicious Activity Report) Review Team. This specialized group reviews every SAR submitted by financial institutions, filters them and decides if they are to be referred for prosecution. During these SAR meetings, the FIBA representatives can share ideas and assist member banks in avoiding criminal elements from penetrating the financial system.



Introducing the concept of TEAM USA, Usategui invited federal regulators to attend FIBA’s annual compliance seminar. “We all work for the same side and need to have a balance between a safe United States financial industry and a globally competitive sector,” he said. Senior regulators were among the more than 950 participants at FIBA’s annual AML conference. In addition, FIBA officials made several successful trips to Washington and Tallahassee to

meet with federal and state legislators and regulators.

During the year, FIBA offered more than 17 events with over 2,000 participants, as well as new e-learning course offerings through Kesdee, an outside vendor. Through FIBA's longstanding partnership with FIU – which continues through today – new certifications were introduced. They included AMLCA and CPAML certifications in Spanish on site, as well as online, for professionals who cannot physically come to Miami. FIBA's courses were delivered in Argentina, Colombia, Costa Rica, Guatemala, Hungary, Panama, Paraguay, Trinidad & Tobago and Uruguay, helping to train bank employees on AML programs to help them to do business with the United States.



Building Strong Alliances



Under Usategui's leadership, FIBA initiated or renewed alliances with several business associations, such as Associated Industries; Bankers Association for Finance and Trade (BAFT); the Coral Gables Chamber of Commerce; the Greater Miami Chamber of Commerce (GMCC); Latin American Chamber of Commerce (Camacol) and World City to promote international trade and commerce.



Several FIBA committees were re-organized and a new organization structure was adopted. A Young Professionals Group was formed, creating a new vehicle for future leadership, and FIBA's by-laws were amended to allow for a new individual membership category for former



FIBA officers who desire to continue giving time and support to the association. Another by-law change allowed banks headquartered abroad with no Florida presence to become FIBA members to enhance the association's educational offerings and branding.

Facing the Global Financial Crisis

In late 2008, the United States and the rest of the world were shaken by an unprecedented fi-

nancial crisis. Stock prices plummeted, the U.S. housing market ground to a halt, rating agencies downgraded speculative securities and several leading banks and investment firms were forced to merge with their competitors or close their doors.



As a result of this crisis named “The Great Recession,” new federal policies were instituted in 2009 along with the implementation of what many considered to be “draconian banking controls,” said John Rodriguez, senior vice

president of Wells Fargo, who became FIBA’s president that year. He added “these newly imposed regulations were mandated to ensure safety and soundness in the financial system.” While the concepts of “too big to fail” and “bailout of Wall Street firms” captured the headlines, Rodriguez noted that FIBA was carrying out many positive projects with its committees and “Main Street” commercial bank members.

New regulations were imposed on FIBA’s Florida-based institutions regarding liquidity retention and capital adequacy. This supervisory effort resulted from the implementation of the federal Troubled Asset Relief Program (TARP). However, FIBA’s member banks successfully navigated the storm, and the association achieved 100 percent membership retention, reflecting FIBA’s value as an industry voice for Florida banks, which continued to lend and provide financing to the international trade industry.

Supporting U.S. Exports



In 2009, President Barack Obama challenged the U.S. Department of Commerce to produce an additional \$3 billion in exports during the four years of the new administration’s first term in order to create more jobs. FIBA took the opportunity to partner with the Commerce Department to host its “first matchmaking session” to connect exporters to FIBA members focused on trade finance.

Prior to the event, FIBA registered 30 member banks that highlighted their trade finance services capabilities with Enterprise Florida. Francisco Sanchez, Under-Secretary of Commerce for International Trade, hosted the matchmaking session, which was such a success it was replicated in other major port cities around the country. Reflecting on the event, Rodriguez said recently, “I am proud to report that this list is still being used in 2015 and is continuously being updated by the members of our Trade Finance Committee.”

During that year, FIBA also worked actively with the Export Credit Agencies and partnered with the Small Business Administration (SBA) to ensure that small and medium size businesses had access to financing. This partnership extended to EXIM BANK (The Export Import Bank of the United States) and the Florida Finance Corporation (FFC) in order to facilitate access to these trade-financing programs.

In 2010, Governor Charlie Christ recognized FIBA for its positive impact in supporting international trade.



China Joins Conference

The FELABAN Annual Assembly, hosted by FIBA in 2009, showcased the association's importance to the Latin American banking industry with more than 1,400 bankers attending from 45 countries.



This assembly highlighted the increased growth in East-West trade between Latin America and China, and was the first FELABAN Assembly to include a panel of Chinese bankers. China had just surpassed the

Greetings and Congratulations on the 35th Anniversary of the Florida International Bankers Association.

In 1977, when the Florida Legislature enacted the Florida International Banking Act, it was my privilege, as we began our journey, to play a small role as Florida Comptroller and Banking Commissioner. I use the term “we” advisedly. For this was truly a cooperative effort on the part of the domestic and foreign banking industries, the Greater Miami Chamber of Commerce and the Florida Chamber of Commerce, as well as the executive and legislative branches of State Government.

Of course, we were optimistic about the future of international banking in Florida. But I do not know to what extent we could have foreseen the spectacular success of our efforts. When we held a reception for foreign banks at the United Nations Headquarters in New York City, the outpouring of enthusiasm was such that there was Standing Room Only. In fact, we ran out of information packets so soon that we literally had to use a yellow pad for the names and addresses of the overflow crowd.

You do not need to be reminded of numbers and statistics, or the changes that have taken place over the years, and you are well aware of the tremendous impact of international banking in Florida. Thanks to the efforts of leaders like Marcos Kerbel, FIBA has a detailed record - both written and visual - of your history. I know of no other persons or organizations that have done more for the economic development of Florida, or more to promote the growth of Miami as a major international financial and cultural center. Nor is there any doubt that FIBA and the international banking community were instrumental in the selection of Miami as the site of the 1994 Summit of the Americas.

Gerald A. Lewis
Former Comptroller and Commissioner of Banking

"It was my privilege and pleasure to have interacted with the Florida International Bankers Association for almost two decades, first as a state representative who worked extensively on banking related legislation and then as Director of the Division of Banking in the Florida Department of Banking and Finance. I always appreciated the constructive manner whereby FIBA and its members participated in both the legislative process and the regulatory process too on every matter of common concern. Also, as a longtime resident of Miami- Dade County, I am especially gratified to observe the growth of our community over the last 40 years, thanks in part to the initiative, leadership and professionalism of FIBA. Without a doubt international banking has become a vital cornerstone of the local economy; and FIBA continues to be the preeminent goodwill ambassador for greater Miami in banking and commercial circles worldwide."

Sincerely,

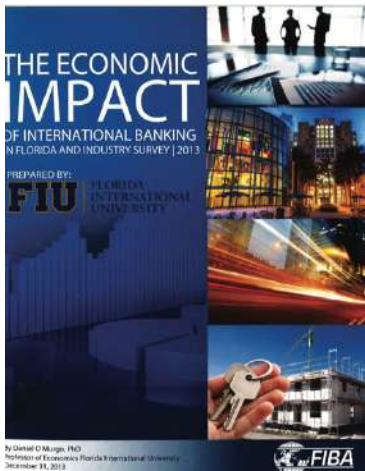
Arthur M. Simon, J.D., Ph.D. "

"I have had a great working relationship with FIBA and its members since the inception of the organization. I remember when we instituted Daylight Overdraft Monitoring during the Volker years. FIBA and the FRB jointly educated our Financial Institutions on the new and highly controversial regulation at that time. I cannot believe it's been 40 years" .

Congratulations!!!

All the best!

A Powerful Impact



Despite the lingering effects of the Great Recession, FIBA entered the new decade with a renewed commitment to making Miami a global financial center, known for innovation as well as safe and sound banking

practices. A FIBA-sponsored “Economic Impact Study of International Banking in Florida” provides a clear indication of this sector’s importance to the state’s future. “We handle the most international banking and financial activity south of New York,” said the study, which was produced in 2014 by FIU Economics Professors Daniel O. Murgu, Ph.D. and Jorge Salazar-Carrillo, Ph.D., director for economic research,

The study pointed out that international banks are a vital component of the state’s foreign trade activity in addition to providing private banking and wealth management services, holding deposits (domestic and foreign), managing private investments, offering loans, acting as correspondents, and playing many other roles in the Florida economy.

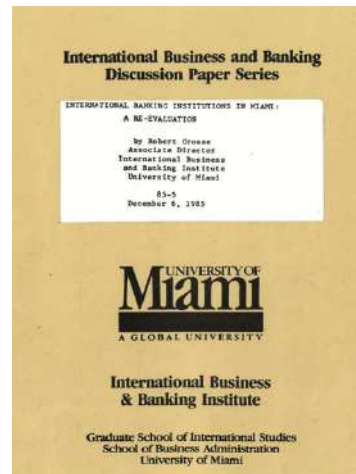
FIBA’s first economic impact study was conducted in 1983 by Professor Robert Grosse, Ph.D., director, International Business and Banking Institute at the University of Miami. He prepared subsequent studies in 1985, 1988 and 1990. A 2000 study was prepared by Professors

The 2010s

at Florida International University, and a 2005 report was prepared by Tony Villamil, Ph.D. founder of the Washington Economic Group.

The highlights of the most recent economic impact study, which used 2012 data, include:

- \$2.1 billion in gross business revenues
- 16,774 direct and indirect employment positions
- \$1.3 billion in Gross State Product
- \$672 million in labor compensation
- \$571 million in profits, interest earnings and rents
- \$101 million in state and local revenue taxes



Most participants in the study considered Miami to be an ideal center for international banking, based on its relation to Latin America, the large population of Hispanic descent, and the presence of well-trained bilingual staffers. "Miami is

the natural destination for all types of economic relationships between residents of Latin America and the United States," said the report. "It is the natural port for exports and the natural point of entry for financial relationships."

Facing New Banking Regulations

Under the leadership of President Dario Fuentes, agency manager, Caja del Mediterraneo, a Spanish banking institution, advocacy remained a top priority for FIBA. The association worked with federal and state regulators to prevent the passing of laws that would negatively impact international banking.



In March 2010, the Foreign Account Tax Compliance Act (FATCA) became law targeting non-compliance by United States taxpayers maintaining deposit accounts and investments in foreign

banks. FATCA aims to curb tax evasion by U.S. taxpayers by requiring a 30 percent withholding tax on payments connected with the United States, unless foreign financial institutions (FFIs) comply with certain requirements to apply due diligence to identify any U.S. accounts and to report such information to the IRS.



FIBA was concerned that the initial regulations required U.S. branches and agencies of foreign banks to comply with FATCA for IRS purposes and conducted a strong advocacy effort over the next two years. "We were able to show the IRS and FinCen, as well as Congress, that U.S. branches and agencies of foreign banks report and comply with all IRS reporting responsibilities as domestic banks and therefore we should be treated as domestic banks for FATCA," said Carl Fornaris, FIBA board member and former general counsel. "We believe that we impacted the final regulation as U.S. banks and agencies of foreign banks are treated

as U.S. persons if their parent banks are registered and deemed compliant under FATCA.”

Reaching out Across the Atlantic

During Fuentes’ presidency, FIBA crossed the Atlantic Ocean to Europe and organized its first public-private dialogue forum in Madrid with Spanish Central Bank regulators, US Federal Reserve, FELABAN and other United States

and international banks to discuss the challenges and opportunities of international banking. This was the first public participation of the Spanish Central Bank with the Federal Reserve Bank.



While in Spain, Fuentes and Oscar Rivera, FELABAN's president at that time, signed a protocol agreement strengthening FIBA’s long-standing relationship with FELABAN. “The objective of that agreement was to set up the frame for future cooperation between both organizations via joint conferences, education and promoting innovation,” said Fuentes. “The agreement strengthened our mutual relationship for future cooperation.”

FIBA’s educational efforts included the launch of an International Trade Finance Certificate in partnership with FIU to train the next generation of bankers. A series of CEO forums were also organized to determine the future strategic road map of the association. From these meetings the recommendation was made to present risk

management seminars as a key deliverable, and the first was held in the last quarter of 2011.



FIBA actively promoted innovation and talent creation in the banking industry through different forums, conferences (The Economist) and Think Tanks (Enova) and created the Innovation Committee for FIBA to promote best practices in the banking industry. That planted the seed of the “Innovation Awards” four years later at the 30th FELABAN-CLAB -Latin American Conference on technology organized by FIBA and held in Miami on June 1-3, 2014.

Building New Alliances

In 2011, FIBA successfully concluded a partnership protocol agreement with Enterprise Florida, the state’s economic development organization. The agreement was signed by Fuentes and Manny Mencia, senior vice president of International Trade and Business Development for Enterprise Florida.



Agreements were also signed with The Beacon Council, Miami-Dade County's official economic development partnership, and FIBA strengthened its relationship with the Greater Miami Chamber of Commerce (GMCC), which dates back to the early 1980s.

For more than 100 years, the GMCC has been a social and economic engine, as Miami-Dade has become a global business and finance hub of the 21st Century, "powered by dynamic entrepreneurs, cutting-edge technologies, an educated work force and imaginative leaders."

More Regulatory Initiatives

Along with stringent anti-money laundering rules and FATCA, Florida's international banks faced new regulations, including the Dodd-Frank Act and Basel III. "These two initiatives represent the most comprehensive financial reform since the Great Depression and will increase the cost of capital and lower the profitability of our banks," said incoming FIBA President Frank Robleto, president and CEO of BAC Florida Bank in July 2011. He added that Dodd-Frank Act will require more than 500 rule makings from our regulators. "I do not think that there will be time in my lifetime to read them all," he said.



Meanwhile, international banks were challenged to remain profitable in the wake of the Great Recession. Unemployment remained high, demand for loans remained low and inter-bank interest rates were depressed due to the Federal Reserve's low interest rate policy.

During the year, FIBA leaders surveyed CEOs of foreign agencies and branches, local banks with international business, money center banks, domestic banks and supporting members about FIBA's role. Their recommendations led to five goals for FIBA's "journey to financial excellence."



1. Advocacy and protocols. Robleto said FIBA will double its advocacy efforts with legislators, regulators, and law enforcement agencies, while forming strategic alliances to enhance the "FIBA brand."

2. Conferences. In addition to the AML Annual Conference and the FELABAN Annual Assembly organized by FIBA in Miami every other year, FIBA will organize other conferences covering important topics. In September, led by Director Paul Koch, FIBA held the first Risk Man-

agement Conference, which was well attended by banking executives.

3. Education. Since 1979, this has been one of FIBA's core services to members. The association's offerings focus on private banking, wealth management and trade finance, along with cash management, operations, technology and risk management. FIBA's committees play a critical role in continuing to develop these knowledge areas on behalf of members.

4. Communication. Because FIBA is at the vanguard of the banking industry, the association can add value through timely communications to members on trends and issues. Face-to-face sessions are also very important for the interchange of ideas and information.

5. Talent Training and Development. The AML Institute, in partnership with FIU has enhanced FIBA's journey to financial excellence. This will continue to provide support to banking organizations through talent training and development for young professionals.

Along those lines, FIBA launched a Young Professionals Committee (YPC) that flourished under the leadership of Oscar Enriquez. After

getting organized, the committee held five events during the year with lawyers, CPAs, and financial planners. Currently, YPC is working on a three-year strategic plan – a testament to the next generation that will help lead FIBA into the future.



A New Executive Director

During Robleto's term, Patricia Roth, who had been FIBA's executive director for 17 years indicated that she wanted to retire. The Executive Committee approved the hiring of Performance Executive Search and its president Dabney (Bud) Park to find the best available candidate. Several outside and inside candidates were interviewed, and past president David Schwartz, an attorney and international banker with multiple language skills, was chosen to lead the association. He has been actively involved in FIBA for more than 20 years and was well versed in bank legislative, regulatory and compliance issues.



Roth was the association's first full time Executive Director and began her employment at FIBA in 1994. Prior to her joining, the association depended on part-time Executive Directors who also worked for other internationally focused organizations. The thrust of FIBA's work was previously accomplished by each year's president with the help of his/her bank's administrative assistant.

FIBA gratefully acknowledges Pat Roth's dedication and professionalism, working tirelessly overtime hours during many nights and weekends to meet important deadlines, and assure that every FIBA task, as well as every event held, was delivered with the utmost professionalism.

On November 9, 2011 the Greater Miami Chamber of Commerce presented a Service Award to Roth at its Leadership Awards luncheon. She also received a proclamation from Miami-Dade County naming that day “Pat Roth Day.”

Building a Global Brand



Under the direction of 2012 President Grisel Vega, general manager of the Miami Branch of BCI-Banco de Credito e Inversiones, Chile the association emphasized a key theme: “FIBA is a Global Organization.” The goals for the year included strengthening FIBA’s global brand to adapt to the needs of the international marketplace.

That year alone, FIBA took its expertise in AML, international trade finance, and corporate and correspondent banking to ten countries and two states outside Florida. Within the state, FIBA was successful in convincing the Legislature to maintain the tax exemption for International Banking Facilities (IBFs) in existence since the 1980s. Although the policymakers were looking for additional tax revenue, they realized that international banking transactions can be transferred to other jurisdictions, and that economic losses to the state would be far greater than the projected tax collections. During the year, the by-laws were updated and amended to permit expansion of the membership base, allowing broker-dealer entities to join FIBA as full members. In addition, FIBA created a specialized AML certification for broker-deal-

ers and began a series of round table discussions on this issue.

Addressing FATCA Issues

On April 19, 2012, the U.S. Treasury Department and the IRS issued final Treasury Regulations on FATCA, requiring reporting of bank deposit interest earned by non-U.S. individual depositors. The final regulations required reporting of U.S. deposit interest (aggregating US \$10 or more) paid to any nonresident alien (NRA) who is a resident of a country with which the United States has an income tax or other convention or bilateral agreement relating to the exchange of tax information.

However, FIBA was deeply concerned about the potential misuse of FATCA-related reporting of NRA deposits in some Latin American countries. In an effort to protect the personal security of banking customers and their families, FIBA had testified against that global reporting ruling at a May 2011 IRS hearing in Washington.

“We believe that we were able to “educate” on the risks and positively impacted the regulation two-fold,” said Vega. “The final FATCA regulation segregates the countries by type of reporting. But even when such an agreement exists, the IRS is not compelled to exchange tax-related information if there is concern regarding the use of the information or other factors exist that would make exchange inappropriate.”

Following FIBA’s efforts, U.S. Treasury Secretary Timothy Geithner sent U.S. Rep. Debbie Wasserman Schultz (D-Pembroke Pines) a letter in September 2012 confirming that there will be no exchange of tax information with Venezuela under the regulation.



A Women's Leadership Initiative



While FIBA has been fortunate in having four women bankers as presidents since its founding in 1979, Vega together with other board members, Teresa Foxx, Alexandra Nason-Aymerich, Isabelle Wheeler and Patricia Hernandez, launched a formal initiative in 2012 to develop and promote leadership among women in the financial services industry through networking, mentoring and education. Our expectation is to increase the number of women leaders in our financial institutions and in FIBA within a very short time.



Sadly, FIBA Board Member Clemente Vazquez-Bello passed away on April 17, 2013 surrounded by his loving family after battling leukemia for many years. He was a true FIBA Ambassador, supporter of international business and the community and continued actively helping FIBA until his death. In recognition of his contributions, the association established the “FIBA Hall of Fame” to honor individuals for “long time and exceptional commitment to the financial services industry.” The Board then named Clemente Vazquez-Bello as its first inductee.

Also, in memory of its late board member, FIBA agreed to be a major contributor to the Clemente Vazquez-Bello scholarship established at the University of Miami School of Law, his Alma Mater, to financially assist a deserving student complete his/her legal education. At the annual membership ceremony in May 2013, a video presentation was made of Clemente and a “Hall of Fame” recognition plaque was presented to his widow, Maggie, their daughter Carolina and their son Luis Felipe with his wife, Natalie.

Focusing on Wealth Management



When George Crosby, became FIBA’s new president in 2013, one of his goals was to organize the first annual Wealth Management Forum. Crosby, president of HSBC Private Bank in Miami, also introduced the FIBA Private Banking and Wealth Management series to rekindle the interest in tax-compliant wealth management and drive it forward within FIBA. Noting that international wealth management is one of the leading financial segments in South Florida, Crosby said, “In meeting with clients, I thought that it was important for FIBA to have a greater

role in promoting and leading best practices for the industry in South Florida. Therefore, I wanted FIBA to host a Wealth Management Forum for the industry and led by industry experts.”

The inaugural FIBA Wealth Management Forum on Sept. 16-17, 2013 drew more than 200 participants from Europe, the United States and Latin America. The conference brought together major financial players including banks, brokers, regulators and law enforcement to give a comprehensive overview of the industry.



Prior to the conference, the private banking committee, spearheaded by Sergio Alvarez-Mena, offered **??**. A total of seven breakfast sessions were presented during the year, attracting lawyers, accountants, wealth planners and members of the Society for Trust and Estate Practitioners (STEP) Board who also participated in the event.

In addition, a CEO Forum drew 20 executives from the wealth management industry in Miami. Hosted by Banco Santander, this forum looked at current issues and strategies for the future. These events generated support for FIBA and a second successful conference was held in September 2014, also led by George Crosby. It is expected that this wealth management conference will continue to be offered annually, as Miami continues to grow as one of the top 10 leading wealth management centers in the world.

The 47th FELABAN Assembly



FELABAN's 47th Assembly organized by FIBA in Miami was another milestone success for both associations with 1600 participants. First Vice President Roberto Muñoz delivered the welcoming message at the November 2013 conference and encouraged the 1,600 attendees from 51 countries to participate in the excellent dialogues on current issues affecting the global financial markets, with special emphasis within the Central and South America and Caribbean region.

"As never before, rapid global change is occurring and nowhere more than in the financial sector," he said. "Let's engage with existing friends, meet new ones and build and enhance business associations. We all need new opportunities

to keep our economies growing via bilateral trade, and to improve cross border business and personal relationships. With new regulations and changing economic environments, bilateral

trade has always been and will continue to be the nexus to our common success."

In another example of the long-standing partnership, FIBA and FELEBAN, supported by FIU, offered the first certification in AML Risk Management for the real sector (non-financial entrepreneurs). The course was taught by local consultants Carlos M. Serna and Francisco A. Ruiz.

The annual FIBA AML Conference, held in February 2014, was attended by more than 1,400 practitioners. An additional 300 attendees participated at the FELABAN-CLACE International trade conference.

In May 2014, FIBA welcomed two other members to the Hall of Fame. The award for Dr. Felix H. Reyler (1918-1993), founding FIBA president, was accepted by his daughter, Mayra Reyler Lichter who said that her father's core values were: family, education, international relations and ethics.

Burton Landy, FIBA's founding general counsel and one of Florida's preeminent attorneys, received the other award. He continues to be active in FIBA and traditionally swears in the incoming annual board of directors.



Entering FIBA's 35th year



On July 1, 2014, Roberto Muñoz, South Florida market president for BBVA-Compass, a wholly owned subsidiary of the second largest Spanish bank, became president of FIBA, now in its 35th year. At the installation ceremony, Mi-

ami Mayor Tomas Regalado told the audience, "Because you are here, Miami is on the way to becoming a real global city. International banking is for Miami what Mickey is for Orlando."



Regalado also mentioned that the City of Miami has been awarded the first-ever municipal EB-5 Regional Center-Investor Visa Center. "We will try to go around the world to sell Miami to the world because the world wants to come to Miami," he added. "Hopefully, in the next year we will be working hand-to-hand with all of you in this new regional center."

At the ceremony, Muñoz unveiled the board's vision for FIBA, represented by four pillars:

1. Membership and Marketing
2. Communication and Inclusion
3. Education and Regulatory
4. Committees and Activities

"We will seek to expand FIBA's brand recognition in Florida, and particularly in South Florida, where we need to draw future members and contributing sponsors," he said. "We will also continue our work on legislative issues that hinder international growth in banking, including Basel III, FATCA and Dodd Frank regulations."

Emphasizing Education



Education has been a FIBA priority since its founding. Now, the Education and Training Committee offers meaningful and timely educational and training programs for professionals in the financial services industry through direct programs and in cooperation with universities and colleges, as well as other educational institutions and trade associations on topics of mutual interest. Academicians, accountants, attorneys, current and former bankers, consultants and former regulators are active on this dynamic committee.

In addition, FIBA is inaugurating a new educational "center of excellence" on the 21st floor of its offices with advanced technology to enhance the association's training and meeting capabilities.

As David Schwartz commented recently, "What sets FIBA's certifications apart is that we are a not-for-profit organization, and these courses are developed by the industry, for the industry and are taught by the industry."

FIBA also has close ties with the FIU Finance Department. Four faculty members have held the title of FIBA Professors since 1997: Emmanuel N. Roussakis, Ph.D.; Krishnan Dandapani, Ph.D.; John S. Zdanowicz, Ph.D.; and Brice V. Dupoyet, Ph.D. Currently, Professor Edward R. Lawrence, Ph.D., holds this distinguished recognition.

During 2014, the annual Dr. Felix H. Reyler Memorial Scholarship was transferred from the Miami Foundation to Florida International University. The amount of each award was increased from \$2,500 to \$7,500 to reflect the current cost of a year's tuition and certain books at the public university to a needy, scholastically promising undergraduate junior or senior majoring in accounting, finance or international business.

Upon transferring this scholarship, about 300 students applied for this assistance. FIU Professors Chung-Hao Chang, Karl G. Kroeck and Marcos A. Kerbel participated in the final selection of the two candidates – Litong Chen and Shakir Simon – as the scholarship recipients for the 2014-2015 academic year. Students of the Academy of Finance at Miami Jackson Senior High School, a school FIBA has supported for over 25 years, are also eligible to apply for this scholarship during their freshman or sophomore year at FIU.



In a related effort led by First Vice President and future Chair Teresa Foxx, FIBA has assisted Miami Jackson High School Academy of Finance, with "job shadow day" to enable local high school students to experience what bankers do daily. FIBA also contributes financially to

support several students attending the summer "Future Bankers Camp," a program administered by the Southeastern Center for Financial Training (CFT), in affiliation with Miami-Dade College. In addition, the member banks hire high school students as summer interns from the Academies of Finance throughout Miami-Dade County. Tangela Shavers, lead teacher at Miami Jackson Senior High School Academy of Finance has participated in FIBA's Education and Training Committee sessions over the years to coordinate activities and seek guidance.

Through the support of "Job Shadow Day" and the "Future Bankers Camp," FIBA contributes to the welfare of the community encouraging high school students to decide if finance and banking will be their "college career of choice," supporting the training and development of future talent and leadership in the financial services industry locally and in Florida.

Since its founding, FIBA and its member banks have had a close relationship with CFT Southeastern, and its predecessors, the local chapter of AIB American Institute of Banking. FIBA staffers have attended courses and certifications offered by CFT, and FIBA past presidents, officers and directors have participated as students, instructors, classroom speakers and as CFT board members, including offering classroom space in their bank premises to hold educational sessions.

As of early 2015, FIBA's Education Committee members were discussing an agreement with Barry University to offer the required courses leading to the Certified Financial Planner (CFP) designation, a globally recognized standard of excellence for competent and ethical personal financial planning, and wealth management.

FIBA is also re-energizing its close relationship with the University of Miami, which has been a very important part of FIBA's educational activities since its founding. Other programs are planned to be discussed with IESE, the Graduate School of the University of Navarra in Spain.

FIBA's leaders continue to contribute to financial education in many ways. Hernan M. Mayol, director, Global Banking - Sales for WELLS FARGO Bank, NA. is chair of FIBA's Trade & Treasury Committee, which developed the International Trade Finance Certificate. Courses for that certificate are currently taught by Chris Principe and Julio Aguirre. In addition, Ana Maria de Alba, Maria Jose Fox, and Julio Aguirre teach FIBA's AML and risk courses, and additional wealth management training courses are being planned by Al Townsend, Isabelle Wheeler and FIU Professor Laureano Martinez.

An Important By-Law Change



During the fall of 2014, FIBA's board of directors amended its by-laws and the management title of Executive Director was changed to President and CEO, in line with current practice among not-for-profit organizations. This full-time position is held by David Schwartz, FIBA's president in 2007-2008. Also, all Past Presidents, who since the 1982 by-laws were Chair of the Board, President and "de facto" CEOs are called "Past Chairs." Thus, Muñoz became the last Chair, President and de facto CEO and FIBA's first Chairman!

To give additional support to the CEO, and staff in education, membership and related functions, Muñoz invited John Harriman, FIBA's fifth president during 1985-86, to assume the newly created Chief Operating Officer position as of February 2, 2015, upon his retirement from Banco Santander International, Miami.



A Competitive Marketplace

At FIBA's most recent strategic meeting, held in September 2014, Muñoz said, "I cannot think of a time when more changes are occurring in banking than today. Not only because of compliance related activities but because there are organizational structures that are out there today, which had not existed before. As a result of Basel III and additional capital requirements, these changes are going to impact our industry and make banking more expensive."

Muñoz cited the rise of the non-bank, the securitization of certain types of businesses and new platforms by companies like Amazon and Facebook that can perform many functions of the bank. Other issues are the rise of industrial bank licenses to companies like Walmart and JC Penney, together with the consumer laws and regulations regarding credit cards.

"We, as a banking organization and as an industry will continue to shrink," he said. "From 18,000 banks, savings and loans and credit unions, we are now down to less than 7,000 banks with a continuous descent. The ability of smaller banks to grow and new licenses to be obtained has become more difficult."

A Growing Global Reach

FIBA entered 2015 with a solid financial structure and new opportunities to grow in Latin America and around the world. FIBA's 15th annual AML conference, held at the Hyatt Regency by the Miami River on March 6 and 7, 2015 was FIBA's most successful in terms of attendees with more than 1,400 AML professionals from 600 financial and non-financial institutions representing 50 countries and 100 supporting sponsors. Throughout the conference, speakers emphasized the importance of DATI – Disclosure, Accountability, Transparency with Integrity.



The conference included a session moderated by Daniel Gutierrez, chairman of the AML Committee, and attorney Andres Fernandez, director, on the changes expected with the normalization of relations between the United States and Cuba, as a result of President Obama's announcement of his policy change on December 17, 2014. Other topics included domestic and international BSA, AML, FinCEN and OFAC regulations and cases, as well as other risk management issues affecting the industry. There were also presentations by the U.S. Secret Service and others on cybercriminal activities as well as sessions on technological change in the era of electronic banking.





On March 18, 2015, Florida Governor Rick Scott and Miami Mayor Thomas Regalado visited the Brickell Avenue offices of BBVA-Compass to honor the bank and FIBA Chairman Roberto Muñoz. Governor Scott placed a gold medal on Muñoz's neck, and appointed him Governor's "Florida Business Ambassador," before praising BBVA-Compass in Florida for adding 450 jobs statewide since 2002. "I met BBVA Compass in 2012 during our trade mission to Spain to promote Spanish investment and job creation in Florida," he added. "Economic development trips across the United States and the globe are very important to growing more jobs here in the Sunshine State."



Historic Opening of Asian Gateway

On March 18, immediately after Governor Scott's comments at the BBVA office, an historic "Memorandum of Understanding" was signed between the Hong Kong Institute of Bankers (HKIB) and FIBA. Like FIBA, the HKIB has been serving the Hong Kong banking community in



the provision of education and training since 1963. Its mission is "to strive for excellence and to provide quality education for professional practice in response to the growing needs of the banking and financial industries in Hong Kong."

Both associations aim to better serve the training needs of bankers in their regions and to reflect the importance of Hong Kong and Florida as international financial centers.

The Hong Kong Institute of Bankers recognized that FIBA is well known by regulators and law enforcement agencies for its knowledge and expertise in anti-money laundering compliance and a variety of training programs and offers specialized AML certification and training to the industry practitioners.

The potential areas of cooperation between the two organizations include:

- Joint development of financial education programs and seminars
- Joint development of training and examination programs leading to the award of certificates
- Sending students to participate in educational programs
- Conducting video lectures utilizing satellite and other communication technologies
- Exchanging information on educational training in the areas of banking and finance

This historic document was signed in Hong Kong by Carrie Leung, CEO, HKIB, and in Florida by Muñoz, who spearheaded this relationship by visiting Hong Kong in November 2014 via a GMCC trade mission, and David Schwartz. It was witnessed by Larry Williams, president and CEO of the Beacon Council and Barry

Johnson, president and CEO of the Greater Miami ???

Patricia Hernandez, FIBA's general counsel who helped draft the document was present with Manny Mencia of Enterprise Florida and other members of the FIBA family. Williams, Johnson, Mencia and Hernandez were very supportive in reaching this important milestone for Miami and for FIBA.

Educating State Legislators

On April 7-9, 2015, a FIBA delegation was present at International Days in Tallahassee. Joining the delegation were Roberto Muñoz, David Schwartz, Teresa Foxx, Grisel Vega, Fernando Capablanca, Frank Robleto, Tony Bejarano and Stanley Foodman. They met with Drew Breakspear, Commissioner, Barry Gilman, Deputy Director, Jeremy Smith, Bureau Chief and Mike Johns, Financial Administrator of the Office of Financial Regulation to discuss proposed revisions to the Florida Banking Code, including Section 663- International Banking.



The FIBA team also met with state cabinet members, senators and representatives and Florida banking, business and community leaders attending this annual event in which FIBA has participated since its founding. FIBA continues to represent its members in addressing legislative and regulatory issues, while educating policy makers about the important role of international banking in supporting the economies of Florida and the United States.

A Dramatic Change in U.S.-Cuba Policy

Reflecting its international focus, FIBA co-sponsored a seminar, "Cuba – Paradise Lost or Newest Emerging Market" with the Cuban Banking Study Group, Inc. The April 22, 2015 seminar at the Coral Gables Country Club included well-recognized professionals in their fields, such as Juan del Busto, Pedro Freyre, Jose Ramon Garrigo, George Harper, Patricia Hernandez, Manuel Lasaga and FIBA's Fernando Capablanca and John Harriman.

Planning for the seminar began after the change in U.S.-Cuba policy initiated last December by President Obama and Cuban President Raul Castro. The two hemispheric leaders also met face-to-face at the VII Summit of the Americas held in Panama, on April 10-12, 2015.

Two days after that historic meeting President Obama notified Congress that he intends to remove Cuba from the list of state sponsors of terrorism, another step toward "normalizing" the status of the island nation directly south of Miami.



However, the establishment of diplomatic relations, including banking business relationships, is still de-

pendent on the U.S. Congress lifting the embargo on Cuba, under the Helms laws sanctioning the -Burton Act of 1996 and previous Cuban government.



Looking to the Future

“Florida’s international banking has followed a cycle first outlined in Genesis 41 of seven good years, followed by seven bad years: 1976-1983 were good years, 1983-1990 were bad years, 1990-1997 were good years, and 1997-2004 were bad years. It may be that the cycle is accelerating, since 2005-07 were good years, while 2008-2011 was a very challenging period. But I am optimistic that the next seven-year cycle will be very positive for Florida and the Latin American region,” said Marcos Kerbel, president 1987-88.

In the past 35 years, FIBA has made a tremendous contribution to the understanding of international banking and finance at all levels, from Miami-Dade County to the Federal Reserve Board to the Halls of Congress in Washington D.C.

Today the contributions of FIBA’s member banks can be seen in their daily interaction with thousands of other Florida businesses – manufacturers, farmers, distribution and shipping companies, transportation service firms, law firms, accounting firms and scores of other industries. FIBA continues to be a resource on international financial issues for both legislators and regulators, and FIBA’s insights continue to «Last_Name» “We must continue in this journey of excellence,” said Muñoz. “A rung on a ladder was never meant to rest upon, but to enable a person to put his other foot higher.”

A decade ago, Agustin J. Abalo, 2004-05 FIBA president, looked at FIBA’s future in words that remain true today. As he said, “This is a time of great changes and challenges in the banking industry. The positive role of international banking is now being questioned. Many people forget the important contributions of international banking to the growth of global trade and com-

merce. But I am confident that we will succeed in achieving our objectives and look forward to 25 years from now, when a new generation of bankers, very





As presented by Roberto Muñoz during his inaugural speech

- 1** If Florida were a country, it would rank 19th; The Netherlands would rank one spot higher at 18 and Saudi Arabia one spot lower at 20.
- 2** In Latin America only Brazil and Mexico have a higher GDP than Florida. However, in a per-capita basis they rank 2/3rds lower as compared with Florida.
- 3** If South Florida were a country, it would rank 40th and tied with Hong Kong. Chile is ranked 39. On a per-capita basis, South Florida would rank among the top 15 countries in the world.
- 4** In Latin America, Brazil, Mexico, Argentina, Colombia, Venezuela and Chile have larger GDPs, but all are much smaller than South Florida on a per-capita basis.
- 5** If Miami-Dade were a country, it would rank 60th out of 187 countries, with Hungary just one notch ahead
- 6** On a per-capita basis, Miami-Dade would rank among the top 15 countries in the world.

Miami's port and airport, its prized international banking community and related professional infrastructure in legal and accounting services is the largest in Florida and one of the largest in the United States.

Note: Compiled by Roberto Muñoz from World Bank, IMF and State of Florida macro-economic sources for his 2014 inaugural address to FIBA members

This manuscript was finished on Pan American Day, April 14, 2015. This day is celebrated annually as a "commemorative symbol of the American nations and the voluntary union of all in one continental community" marking the anniversary of the day in 1890 when this union was established."

