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Evolving Rules and Regulations For Community Banks: Practical Discussion of a few of the Most Significant Issues

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Regulatory Overview

Dodd-Frank


The Federal Reserve Board


FDIC


IFRS™

BASEL II
BASEL III


FINANCIAL ACCOUNTING STANDARDS BOARD


SEC


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Impact on Community Banks

- Higher Capital Standards, Higher Common Equity



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- Elimination of Certain Capital Instruments, Refinancing Challenges



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- Higher Capital Standards, Higher Common Equity
- Elimination of Certain Capital Instruments, Refinancing Challenges
- Stress Testing
- Higher Compliance Costs
- Lending.....Who will serve small businesses and entrepreneurs?

Stress Testing is Coming to A Bank Near You

- Horizontal Reviews of loss estimates

Stress Testing is Coming to A Bank
Near You

- Horizontal Reviews of loss estimates
- Where do we begin?

Biggest Impact on Banks ?
Possibly FASB

- "An economic version of the bubonic plague is ready to re-emerge-mark to market accounting," Steve Forbes, editor in chief of Forbes magazine.

Biggest Impact to Banks ?
Possibly FASB

- “An economic version of the bubonic plague is ready to re-emerge—mark to market accounting,” Steve Forbes, editor in chief of Forbes magazine.
- Expected Losses versus Incurred Losses versus Fair Value Accounting for Loans and Loan Loss Reserves

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What Can You Do to Manage the
New Norm of Uncertainty?

- The “C” in Banking
 - Pre-2010: C was all about the Customer
 - Credit, Character, and Collateral
 - 2010 and the Foreseeable Future:
C=Change

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What Can You Do to Manage the
New Norm of Uncertainty?

- The “C” in Banking
 - Pre-2010: C was all about the Customer
 - Credit, Character, and Collateral
 - 2010 and the Foreseeable Future: C=Change
- Changes are occurring at an unprecedented pace
 - New Regulations, Directives, Policies, Mandatory Procedures, and Reporting

What Can You Do to Manage the
New Norm of Uncertainty?

- The Change Management Formula
 - C = 4 D'S
 - Documents, Data, Defense, and Disposition

Winners

- Winners will be those first to get back to the Business of Banking



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Regulations For
Community Banks:
Practical Discussion of a
few of the Most
Significant Issues**

For more information about this presentation, contact:

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