

ANTI-MONEY LAUNDERING CONFERENCE

Financial crime a priority for banks

Some 1,200 bankers and other financial professionals, lawyers, regulators and government officials gather in Miami for an anti-money laundering conference.

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In today's environment, bankers must be on their toes to guard against everything from illicit cash transfers from Mexican drug cartels and terrorist financing to not violating the Foreign Corrupt Practices Act.

With more of the burden that ever on financial institutions to know their customers and where

those customers' money is coming from, some 1,200 participants from 40 countries got together at the Hotel InterContinental Miami on Thursday at the 12th Annual FIBA Anti-Money Laundering Compliance Conference.

The goal of the two-day event organized by the Florida International Bankers Association was to exchange information on financial crime risks and to discuss compliance with the Bank Secrecy Act, which requires banks to have anti-money-laundering programs in place.

The conference comes at a time when the Financial Crimes Enforcement Network (FinCEN), a

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Treasury bureau that collects and analyzes reports on suspicious financial transactions, is transitioning to a new system that requires banks to collect even more information and use more complex forms for reporting suspicious activities.

"We're going to need more resources to manage the risk. It's going to be a massive change," said Jim Richards, Bank Secrecy Act officer at Wells Fargo.

Jamal El-Hindi, an associate director at FinCEN, said the new format wasn't meant to be a "club," but an innovation that better meets the needs of both law enforcement and regulators.

James E. Currie, director of Bank Secrecy Act compliance at BBVA Compass, a bank that has a strong presence along the U.S.-Mexican border, said when it comes to anti-money laundering compliance, his institution is focused on "cash,

cash, cash and more cash." It must try to ascertain how much cash is reasonable for a business to generate, he said.

Currency flows between the U.S. and Mexico also have shifted since Mexico changed its law on U.S. dollars in June 2010, said bankers at the conference.

In an effort to limit money laundering, Mexico restricted virtually all U.S. dollar transactions using cash. It used to be common for U.S. retailers operating in Mexico to accept greenbacks for purchases, for example.

Now, with the Mexican restriction

• TURN TO CONFERENCE, 8B

AIRLINES

REAL ESTATE



Housing prices gain hints at a

Banks assess financial crime risks

CONFERENCE, FROM 10B

Currency. Another new phenomenon, he said, is "mirror accounts." In this case, an individual opens accounts in both the United States and Mexico and transfers money from the U.S. account to the Mexican account. The originator of the transfer and the beneficiary are the same person — a pattern that banks could detect, Wagner said. Financial institutions also need to have anti-corruption

measures as part of their compliance programs, said conference participants.

The U.S. government is currently taking enforcement of the Foreign Corrupt Practices Act — which makes it a crime for U.S. companies or their third-party representatives to make payments to foreign officials to get or retain business — very seriously, said Michael Volkov, a partner at the Mayer Brown law firm. "You are now more at risk

for a FCPA than an AML [anti-money laundering] action," he said.

It's particularly difficult to avoid problems in China, he said, where there is a culture of gift-giving and the preferred form of doing business is a joint venture that often turns out to involve a government company.

"If you don't start giving gifts and then build on them as business increases, you insult" the Chinese, Volkov said.

HEALTHCARE

U.S. program aids 4,000 in Fla.

UNINSURED, FROM 10B

that Watson pays monthly. she has an in-network deductible of \$1,000 for medical services, plus a \$500 deductible for prescriptions on the preferred list and \$750 deductible for drugs not on the list. There's also a co-insurance cost of 20 percent for most in-network medical expenses until she spends \$4,000 out of pocket, when the plan covers all in-network costs. The out-of-network work has a \$1,500 deductible and maximum \$7,000 out-

of-pocket.

The federal reform act allowed states to set up their own pre-existing plans. Twenty-three states, including Florida, didn't establish their own and have been placed in a federal plan. Unlike many plans, the pre-existing pool has no waiting period for treatment. Costs per patient are running far higher than anticipated, Larsen said Thursday. Costs per patient are expected to be \$29,000 for 2012, well above the orig-

inal estimate of \$13,000 a patient. Larsen said the explanation is "pent-up demand," adding that the government expects costs to level out in 2013.

Even with the high costs, Larsen said, the government has spent only a little over \$600 million on the plan so far, leaving about \$4.3 billion to last until 2014.

When asked why so few in Florida had signed up so far, Larsen said people are still learning about the program.

NATIONAL/INTERNATIONAL

Dow flirts with 13,000

The Dow Jones industrial average rose 46.02 points, or 0.4 percent, to 12,984.69. The Standard & Poor's 500 index rose 5.80 points, or 0.4 percent, to 1,363.46. The Nasdaq rose 23.81 points to 2,956.98.

DIVIDENDS

IRREGULAR	Pay- ment	Rate	of	pay- ment	date
Symbol	Per	Share	Record	able	date
ACE Ltd	0.47	3-30	4-20	3-30	4-20
American Location	1.23	3-20	4-4	3-20	4-4
Sturm Ruger	0.212	3-9	3-23	3-14	3-23
Univ Insurance	0.10	3-28	4-6	3-28	4-6
INCREASED					
BlackRock Inc	1.50	3-7	3-23	3-7	3-23
ClubCorp	0.41	3-16	4-3	3-16	4-3
DNB Financial	0.05	3-9	3-19	3-9	3-19
Entertain Prop Tr	0.75	3-30	4-16	3-30	4-16
Essex Property Tr	1.10	3-30	4-13	3-30	4-13
Fst Amer Finan	0.08	3-30	4-16	3-30	4-16
Gap Inc	1.25	4-5	4-27	4-5	4-27
Golar LNG Ltd	0.325	3-9	3-21	3-9	3-21
Heritage Finan	0.04	3-9	3-23	3-9	3-23
Kohl's Corp	0.37	3-7	3-28	3-7	3-28
Omnicare	0.07	3-6	3-22	3-6	3-22
Pan Amer Silver	0.0375	3-5	3-19	3-5	3-19
Psychiatric Corp	0.15	3-5	3-19	3-5	3-19
Rockville Finan	0.08	3-5	3-12	3-5	3-12
Southwest Ga. Fin	0.04	3-5	3-9	3-5	3-9
Speedway Motors	0.15	3-5	3-15	3-5	3-15
T Rowe Prc Grp	0.34	3-15	3-29	3-15	3-29
Textainer Group	0.21	3-5	3-20	3-5	3-20
Tim Hortons g	0.15	4-6	5-1	4-6	5-1
Torchmark Corp	0.17	3-9	4-2	3-9	4-2
WestBanco Inc	0.055	3-30	4-13	3-30	4-13
Yamana Gold	0.10	3-15	3-30	3-15	3-30
INITIAL					
Univ Tech Inst	0.18	3-14	3-28	3-14	3-28
REGULAR					
Allegheny Tech	0.23	2-2	3-16	2-2	3-16
Amer Natl Bkshs	0.07	5-14	5-31	5-14	5-31
Amer Natl Insur	0.11	3-9	3-15	3-9	3-15
Arcor Coal	0.11	3-12	4-1	3-12	4-1
CBS Cp cm & A	0.03	4-13	5-1	4-13	5-1
Center Bancorp	0.04	3-12	4-10	3-12	4-10
Cigna Corp	0.125	3-8	3-20	3-8	3-20
CompX Intl	0.08	3-12	4-10	3-12	4-10
g-Payable in Canadian funds.					