2014 BAFT ANNUAL REVIEW

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Letter from the Chair and CEO

It was a successful and transformative year for BAFT, as we continue to build a strong value proposition for our members. Beginning with the official change of name, through changes to Basel III regulations, delivery of industry tools, and double-digit growth in membership and conference attendance, the association has delivered measurable value.

BAFT’s 2014 Annual Review highlights some of this year’s achievements, including:

• Saving the industry billions in increased capital costs related to Basel III changes
• Delivering a new Master Trade Loan Agreement for industry use
• Launching several Financial Crime initiatives to address AML, KYC and de-risking
• Establishing the Regional Banks Council and revitalizing the North America Council and International Advisory Council
• Hiring a new director to develop training and education programs

BAFT has seen record growth in new members of 16 percent, a 96 percent member satisfaction rate, a 20 percent increase in conference attendance, and increased engagement in BAFT working groups and committees. The association’s leadership in education and advocacy also earned BAFT the Bronze Award for Excellence for the Best Non-Bank Trade Services Provider from Trade & Forfaiting Review.

BAFT is an industry association of and for its members. The support and engagement of our members continue to drive the industry forward. We look forward to achieving new milestones in 2015.

Thank you all!

Rita Gonzalez
Chair, Board of Directors
BAFT

Tod R. Burwell
President and Chief Executive Officer
BAFT
Basel III

Since 2010, BAFT has engaged with its members, the global regulatory community, policymakers, business organizations and industry stakeholders to illuminate the unintended consequences of the Basel III framework on trade and transaction banking. In the process, we were able to raise awareness of the positive impact of transaction banking on the real economy. BAFT assembled a global coalition of roughly 30 business and banking organizations and held several dozen meetings with regulators and policymakers in five continents. As a result of several recent modifications to the initial framework, the global landscape for banks and businesses has improved and will save the industry billions in proposed capital and liquidity increases.

BAFT continues to actively engage both the Basel Committee and national supervisors to achieve clarity on the liquidity framework, including matters concerning the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Intraday reporting requirements.

FATCA

Established in March 2010, the Foreign Account Tax Compliance Act (FATCA) targets U.S. taxpayers with foreign accounts and puts reporting requirements on all institutions that may hold assets for these taxpayers, including non-U.S. institutions. As the IRS designated 2014 and 2015 transition years for implementation, there has been growing confusion about the requirements.

BAFT has been actively organizing education on the law and its applicability to transaction banking including:

▷ FATCA presentation to the Europe Council
▷ Webinar – “Are You Ready for FATCA?”
▷ North America Regulatory Compliance Forum panel “Gearing Up for FATCA: Where Are We and What Do We Still Need to Do?”
▷ Subject Matter Expert call on Earnings Credit Rate and Rebates
▷ Discussion in Trade, Payments and Compliance committees

BAFT is in the process of constructing a Frequently Asked Questions (FAQ) document, which will be made available on the BAFT website.

FATCA panel during North America Annual Conference led by (left to right) Steve Wojciechowicz (Deutsche Bank); Paul Johnson (Bank of America Merrill Lynch); Laurie Hatten-Boyd (KPMG LLC); Candace Ewell (PwC LLC); Fran Mordi (ABA).
Financial Crime

BAFT established a multifaceted approach to provide education and awareness, increase dialogue between private and public-sector parties, engage in policy development, establish best practices and support industry initiatives to deliver tools that help banks more efficiently execute their compliance practices.

The banking industry plays an important role in helping to mitigate financial crime. This role has become increasingly significant as evidenced by the thousands of compliance staff added to bank payrolls, additional oversight at executive levels of bank management, tougher regulatory supervision, and significantly increased fines and penalties for non-compliance.

In June 2014, BAFT co-hosted a colloquium with four fellow industry organizations to discuss “de-risking” or “de-banking”—the exit of client relationships—which has risen considerably in the last year, in large part as a result of increased cost of compliance and risk.

US Export-Import Bank Reauthorization

BAFT remains focused on global issues affecting the industry, and the crucial role the Export-Import Bank of the United States plays in supporting global trade. In 2013, more than $37 billion of trade finance deals supporting projects around the world were facilitated with funding from Ex-Im Bank. The bank’s charter expires on Sept. 30, 2014, and the re-authorization of the bank is under heavy political debate. BAFT has been, and continues to be, an active party in the dialogue, providing practical evidence of the role this financing plays in support of both commercial banks and their clients.

(Right to left) Honorable Patricia Loui (Export-Import Bank of the United States) with trade conference attendees, Susan O’Brien (BMO Capital Markets) and Rafael Lopes (City National Bank).
A key component of advancing industry issues is having connectivity to industry practices. BAFT manages councils, committees and working groups of industry practitioners and subject matter experts to develop tools and guidelines for industry best practices. BAFT also uses this connectivity to assess policy impact. This past year, BAFT committees and working groups advanced industry practices in several areas.

**Master Trade Loan Agreement**

BAFT, working with practitioners and lawyers from approximately 20 member institutions and law firms Berwin Leighton Paisner and Moses & Singer, introduced the Master Trade Loan Agreement (MTLA) for bank-to-bank trade loans along with legal opinions and guidelines. BAFT members can access the opinions and guidelines for free on the BAFT website.

Banks have been providing loans to other banks in support of their trade finance lending to clients for many years, however, there has been little consistency in terms and conditions. The MTLA provides consistent definitions, terms and conditions in a reusable framework agreement that facilitates bank-to-bank trade loans. The common use of the agreement will also help investors in secondary market sales gain certainty in the legal framework supporting the assets. Similar to the Master Risk Participation Agreement (MRPA), the MTLA is expected to become the industry standard framework, reducing costs and adding consistency.

**Master Risk Participation Agreement**

For several years, banks have been using the BAFT Master Risk Participation Agreement to facilitate risk participations in trade assets. The practice has been critical in support of global trade growth, as banks with strong distribution networks are able to generate additional financing for clients while still effectively managing their balance sheets.

Under Title VII of the Dodd-Frank Act, there is a possibility that some trade finance risk participations could be treated as swaps, incurring additional regulatory scrutiny under Title VII by the SEC and CFTC. BAFT, working with its members and Sullivan & Cromwell, is currently developing a rider to facilitate continued use of the agreement, and is evaluating the need for advocacy on the interpretation of treatment of these assets.
BAFT Interbank Compensation Rules

Developed more than 30 years ago, the BAFT Interbank Compensation Rules provide a common framework and guidelines for the settlement of payment errors between banks. To ensure the rules reflect the current regulatory and operating reality, the Payments and Compensation Committee updated the rules to address payment indemnity, regulatory changes (Dodd-Frank 1073, FATCA), the BAFT name change and other issues.

The changes have been approved by the committee and the Executive Committee of the Board of Directors. Following member consultation and formal approval, the new rules are expected to go into effect on Jan. 1, 2015. The committee will work with The Clearing House to ensure that the BAFT Interbank Compensation Rules and The Clearing House Rules are in sync.

AML/KYC Best Practices for Trade

The IFSA-developed best practices for Trade to address the Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) concerns in 2008. Over the past few years, regulatory expectations for banks in the fight against financial crime have heightened dramatically. Further, guidance from the Financial Action Task Force ( FATF), Financial Conduct Authority (FCA), Financial Crimes Enforcement (FinCEN) and others have left practitioners uncertain about the expected level of care, particularly banks operating in multiple jurisdictions.

The BAFT Trade Best Practices AML/KYC Working Group is updating the 2008 guidelines in consideration of red flags as identified by FATF, FCA, FinCEN, FFEIT, Basel, Wolfsberg and others. The document will ultimately serve as a tool for practitioners to aid their daily practice and development of risk-based compliance procedures.

Banking Environment Initiative (BEI)

BAFT participated in the pilot development of the Banking Environment Initiative’s Sustainable Shipment Letter of Credit. This important initiative lays out the foundation for banks’ engagement in the financing of commodities that meet certified environmentally sustainable manufacturing standards.

BAFT Committee Projects

The various BAFT committees are designed to provide a platform for practitioners to discuss common issues of concern and develop better practices for addressing them. Several committee work streams are underway to develop best practice guidance:

- Oil & Commodity LC – handling fluctuating value letters of credit
- Risk Purchased LC – practices for banks participating in LC syndications
- Information Reporting – intraday reporting and use of various formats
- Fraud – payment fraud and use of indemnities
Advocating for the Industry

BAFT plays an increasingly important role on a global basis to provide education and awareness of regulations and their impact on the real economy. This past year, we were very pleased to see the positive regulatory response to our engagement on Basel III Capital and Leverage Ratio concerns, which will help the industry avoid billions of dollars of increased capital to support transaction services. The positive policy changes affecting the treatment of trade finance under Basel III evidence the increased global awareness of transaction banking and its impact on the real economy.

Global advocacy campaigns were formed by working closely with our members to prioritize and respond to regulatory and public policy issues. Our advocacy efforts included the drafting of industry comment letters and meetings with key global decision makers from the central banks, finance ministries and legislative bodies of the G-20 member states.

In addition to direct relationships with policymakers and regulators, BAFT continues to expand its global network of roughly 30 partner associations in business and banking, representing the major jurisdictions in each continent. This network enhances the ability to engage locally on issues of global interest and ensures a consistent global message.

Key Papers in the Past Year

- Comments on Revised Basel III Leverage Ratio Calibration  September 20, 2013
- Comments on LCR Correspondent Banking Clarification  October 4, 2013
- Clarification Questions on Monitoring Tools for Intraday Liquidity  October 9, 2013
- Comments on US Supplementary Leverage Ratio Implementation  October 21, 2013
- Comments with ABA on Federal Reserve Bank’s Payment System Improvement  December 13, 2013
- Comments on US LCR Proposal  January 31, 2014
- Ex-Im Bank/Basel III Impact White Paper  April 1, 2014
- Comments on Net Stable Funding Ratio  April 11, 2014
- Intraday Liquidity Outreach to 27 Central Banks of the Basel Committee  June 3, 2014
- Comments on US Leverage Ratio Denominator  June 13, 2014
- Ex-Im Bank Reauthorization Letter and Policy Brief  June 25, 2014
Basel Framework Standards
In addition to the positive outcomes on Basel III capital, leverage and liquidity (see page 10), BAFT continues to be at the forefront of global discussions on shaping the implementation of the standards put forth by the Basel Committee and the Financial Stability Board. Specifically, the Liquidity Working Group has prioritized efforts on:

- **Liquidity Coverage Ratio (LCR)** – Providing input to effect positive clarification to the treatment of operational accounts and correspondent banking
- **Intraday Liquidity Monitoring Tools Framework** – Ensuring global consistency and transparency for the industry
- **Net Stable Funding Ratio (NSFR)** – Crafting the industry position on treatment of trade finance under the framework; we have brought our advocacy on this topic directly to both the Basel Committee Working Group on Liquidity and to key committee jurisdictions

Through industry comments and advocacy on trade finance, BAFT contributed to positive changes for the treatment of off-balance sheet trade finance products under the final iteration of the Basel Large Bank Exposures Framework, leading to overall trade finance capital allocation improvement for banks’ exposures to a single counterparty.

BAFT provided significant input to the Committee on the Global Financial System (CGFS) of the Bank for International Settlements on their 2014 report entitled “Trade Finance: Developments and Issues”, which mapped both the current status of trade finance markets and the impact of prudential regulation on the global availability of trade credit. The report provides helpful background as regulators develop rules that impact our industry.

Export Credit Agency (ECA)/Multilateral Development Bank (MDB) Finance

Public/Private Sector Partnerships through ECA and MDB finance are critical to the continued growth of international trade across the globe. BAFT continues to partner with these organizations and be a strong advocate for programs that assist our members in providing financing to their clients to support their import/export needs.

BAFT has been a leading voice in Washington for the reauthorization of the Export-Import Bank of the United States. Ex-Im Bank faces a critical struggle to gain a renewal of its charter from Congress and BAFT has worked with its members—in coalition with business groups across the US—to emphasize the important collaborative role Ex-Im Bank plays in helping private lenders and their client companies boost trade and grow jobs.
In 2010, the Basel Committee on Banking Supervision (BCBS) put forward rules to enhance prudential standards on capital, liquidity and leverage for internationally active banking institutions. The Leverage Ratio, Net Stable Funding Ratio (NSFR) and Liquidity Coverage Ratio (LCR) posed challenges to the availability and affordability of trade finance products. BAFT and a global coalition of business and banking organizations, alongside numerous public-sector multilateral entities, led a multi-year effort to improve the treatment of trade finance under the framework.

**Advocacy**

BAFT formed expert working groups that drafted comment letters and position papers to the BCBS and regulatory authorities in six continents. Through a coordinated campaign, BAFT organized a coalition of more than 30 trade bodies around the world to adopt a single message on the changes necessary to avoid harmful effects on the financing of international commerce. BAFT also regularly met with policymakers in Europe, North America, Asia, Africa and Latin America (more than 50 meetings over four years) to directly advocate for the industry.

**Successful Outcomes**

Revisions will result in the avoidance of billions of dollars in incremental capital and liquidity costs:

1. **Capital**
   - 1-Year Maturity Floor was waived by BCBS for commercial letters of credit.
   - EU, US and other jurisdictions continue to revise standards to expand the waiver to all short-term, self-liquidating trade finance products.
   - BCBS agreed to waive linkage between the risk weighting of a sovereign and that of an unrated bank for short-term, self-liquidating letters of credit, making access to trade finance easier and less expensive for low-income countries.

2. **Leverage**
   - EU reduced proposed 100-percent Credit Conversion Factor (CCF) for all off-balance sheet trade products to 20 percent for trade-related contingencies and 50 percent for transaction-related guarantees (May 2013).
   - BCBS recommended all 27 BCBS countries use the Standardized Approach CCFs, including 20 percent for trade-related contingencies and 50 percent for transaction-related guarantees (January 2014).
   - BAFT estimated this helped avoid a 60-basis-point increase in fees to meet current hurdle rates.

3. **Liquidity**
   - BCBS favorably adjusted the outflow rate for trade finance contingent products (initially 50 percent) with a recommendation to national supervisors that they receive a suitably low run-off rate of 5 percent or less.
     - Significantly lowers the potential liquidity premium applied to trade transactions
     - Recognizes the distinction of trade outflows under stress events from other assets
Collaboration on Industry Practices

BAFT engages with many organizations to advance the interest of our members through active partnerships.

Financial Crime

Given the breadth of impact of financial crime, BAFT continues to engage with several industry organizations to approach the issue on many fronts:

- **G-20 Paper** – BAFT is helping to develop a paper that highlights the drivers and impact of de-risking as a result of heightened compliance requirements and costs. The British Bankers Association (BBA) is the Secretariat of the effort that includes: Wolfsberg Group, ICC, The Clearing House (TCH), and the Basel Institute for Good Governance. Additional participants include the Institute of International Finance (IIF), SWIFT, International Finance Corporation (IFC), Charities Finance Group and others.

- **Colloquium** – Opening roundtable dialogue between 40 members of the public and private sector on the impact of compliance regulation and de-risking, BAFT co-hosted a colloquium in London with the IIF, TCH, SWIFT and KPMG.

- **KYC Practices** – BAFT is participating in a working group led by the ICC that will build on the Wolfsberg Trade Principles and provide guidance for customer due diligence for trade transactions and trade-only relationships.

Trade Finance Definitions

BAFT published the Open Account Trade Finance (2011) and Traditional Trade Finance (2012) definitions and is now participating in a collaborative effort to adopt a single set of Supply Chain Finance definitions. The Global Supply Chain Forum consists of BAFT, ICC, Euro Banking Association (EBA), Factors Chain International (FCI), International Forfaiting Association (IFA), and the International Factors Group (IFG).

The work of each organization will be blended into a single document, laying the foundation for universal adoption. It is expected that the first draft document produced by the working group will be available for review by the end of 2014.

Regional Priorities

As a global association, BAFT remains committed to prioritizing issues that have global implications. Nevertheless, through collaboration with regional partners, BAFT is able to provide global perspectives on matters of regional priority. We have been an active participant in the Asia Pacific Financial Forum trade and supply chain work streams, feeding into the Asia Finance Ministers via APEC. BAFT provided valuable input on regulatory topics, such as Basel III and the implications of financial crime regulation and de-risking. BAFT also remains in close communication with FELABAN and FIBA, in particular, on the concerns regarding country risk credit rating impact under Basel III and presented at various FELABAN and CLACE events.

Strategic Trade Roadmap

BAFT announced a formal cooperation agreement with the ICC Banking Commission to develop best business practices across the industry, improve the understanding of trade finance, and ensure that businesses can continue to grow with the ongoing support of trade financing. The partnership will include joint working groups to better enable the organization to execute against the strategic roadmap laid out by the BAFT Global Trade Industry Council (GTIC). The GTIC and ICC Banking Commission Advisory Board will also hold periodic joint meetings to ensure each organization’s projects are aligned.
BAFT has taken significant steps to provide the industry with thought leadership, training and education through conferences, workshops, webinars and roundtables. To consistently provide our members with effective strategies to manage their growth and future challenges through training and education, BAFT hired a new director of training and education in January 2014. She identified key stakeholders in the industry, created an Education Council and conducted a high-level analysis with their input. The Council is now focused on developing a new training program for new hires and for client-facing professionals engaged in trade finance. A task force is also identifying payments education needs.

BAFT signed a new agreement with ifs University College to continue to offer CDCS®, the leading certification for individuals engaged in documentary credits. As one of the creators of the Certified Documentary Credit Specialist program, BAFT established the benchmark credential that is held by thousands of trade practitioners in more than 70 countries. BAFT also introduced webinars to enable current certificants to obtain required Professional Development Units for recertification. As awareness of the value of earning the CDCS® designation continues to grow, BAFT will offer two sittings for the exam starting in 2015.

Webinars allow BAFT Supplier Members an opportunity to demonstrate their thought leadership, and provide a way for participants to get valuable information delivered in a convenient format that relieves the burden of travel costs. Many webinars are free for BAFT members.

### Recent Webinar Topics

**Non-Straight Through Payments to Banks in Europe** (Europe Council/Regional Bank Council)

**Trade Compliance** (Accuity)

**Are You Ready for FATCA?** (E&Y, KPMG, PwC, SVB, Deutsche Bank, JPMorgan, BAFT)

**SWIFT Integration: Getting the Most Out of Your SWIFT System** (Akshay, Regional Bank Council)

**Facing the Challenges of Regulatory Change** (RBC, North America Council)

**Trade Credit Insurance** (International Risk Consultants, Regional Bank Council)

**CDCS Webinar Week** (PDU's Offered)
- Compliance Challenges for Trade Finance
- Bank Payment Obligation
- Lessons from Recent Standby Letters of Credit Cases
- Export Letters of Credit
Conferences and Events

BAFT conferences and events continuously evolve with new conference formats, technology offerings, strong speakers and new programs to meet member needs. With these changes, we were able to continue to deliver thought leadership, training and education to our members. Highlights included:

- **NEW** Global Regulatory Forum
- **NEW** LC workshops in three cities across India
- **NEW** use of Automated Response System to increase attendee interaction
- **NEW** Trade Finance Awards Dinner in partnership with Global Finance
- **NEW** partnerships with Global Finance, Asian Banker and GTR/Exporta
- 22 percent increase in same conference attendance
- Expansion of sponsorship recognition programs

**New Formats. Better Value.**

We introduced a new format to the North America Annual Conference. The conference included general sessions, bilateral meetings and supplier sessions, as well as a deep dive into regulatory and compliance topics. An overwhelming 92 percent of attendees endorsed the event’s new format, and the last day’s events were standing room only. During the Global Annual Meeting in London, BAFT hosted the Global Finance Trade Awards, attracting several banks as first-time attendees to a BAFT program.

These format changes attracted a broader audience and significantly increased the networking value of the conferences, while balancing the educational value of sessions delivered by top-notch speakers. Among them were: Sharon Bowles, Chair, Committee on Economic & Monetary Affairs, European Parliament; Sir Roger Gifford, Outgoing Lord Mayor, City of London; John Winter, Barclays Corporate Banking CEO; Timothy Adams, President and CEO, IIF; Gov. Frank Keating, President and CEO, ABA; Scott Pulsipher, President & COO, Needle, Inc.; William Fox, Global Head of Financial Crimes Compliance, Bank of America Merrill Lynch, William Haraf, Managing Director, Promontory; and other senior trade, payment and transaction banking leaders.

Global Finance Trade Finance Awards were held during the BAFT Global Annual Meeting – Europe, January, 2014 in London.
Interactive Learning

BAFT utilized an audience automated response system (ARS) during the Annual Conference. Ninety-four percent of attendees said the ARS enriched the presentations, providing an immediate opportunity for debate on presentation topics.

New Opportunities—The New “Hot Spot”

BAFT reintroduced the Regulatory Compliance Forum in conjunction with the North America Annual Conference in La Jolla to a standing-room-only audience, providing a deep dive into AML/KYC, Sanctions, FATCA, Dodd-Frank and hot regulatory topics.

BAFT also expanded its successful, case-study-driven Global Trade Finance workshop series to India, holding workshops in Chennai, Mumbai and New Delhi. The annual NY Trade Workshop and Global Payments Symposium were both sold out, consistent with the 22-percent increase in same conference attendance from 2013.

BAFT conferences attracted 78 percent more organizations to take advantage of sponsorship opportunities. Sponsors received increased recognition, including an expansion of our Affinity program, now recognizing sponsors at the Platinum, Gold and Silver levels. BAFT plans to expand our programs to meet member demand.

At the Annual Conference on International Trade, breakout sessions provided opportunity for discussion on topics relating to AML, KYC, Operations, and Industry Collaboration. Expect interactive programming to continue as a trademark of BAFT events.

Example of ARS question and immediate attendee response at the Annual Conference in May, 2014.

Affinity Sponsors

**Plantinum**
- Standard Chartered Bank

**Gold**
- Deutsche Bank
- HSBC

**Silver**
- Bank of America Merrill Lynch
- BMO Capital Markets
- BNP Paribas
- Citibank
- J.P. Morgan
- PNC Bank N.A.
- Wells Fargo Bank N.A.
### Save the Date: 2014-2015 BAFT Conferences

<table>
<thead>
<tr>
<th>Date</th>
<th>Conference &amp; Location</th>
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<tbody>
<tr>
<td>September 28, 2014</td>
<td>Global Councils Forum (Boston, MA @ SIBOS)</td>
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<tr>
<td>November 12-14, 2014</td>
<td>Annual Conference on International Trade (Chicago, IL)</td>
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<td>January 19-21, 2015</td>
<td>Europe Bank to Bank Forum (Amsterdam, Netherlands)</td>
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<tr>
<td>February 12-13, 2015</td>
<td>Southeast Global Trade Finance Workshops (Tampa, FL)</td>
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<tr>
<td>May 3-6, 2015</td>
<td>Global Annual Meeting (Miami, FL)</td>
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<td>May/June 2015*</td>
<td>India Trade Finance Workshops (India – cities TBD)</td>
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<td>June 11-12, 2015</td>
<td>New York Global Trade Finance Workshops (New York, NY)</td>
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<td>July 2015</td>
<td>West Coast Global Trade Finance Workshop (Los Angeles, CA)</td>
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<tr>
<td>September 2015*</td>
<td>Global Payments Symposium (New York, NY)</td>
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<tr>
<td>October 11, 2015</td>
<td>Global Councils Forum (Singapore, Singapore @ SIBOS)</td>
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<tr>
<td>November 2015*</td>
<td>Annual Conference on International Trade (Chicago, IL*)</td>
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*Tentative dates/location. Please check BAFT.org/events for updates.

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Keynote speaker Sir Roger Gifford and Europe Co-Chair, Eszter Wijkman, at the Global Annual Meeting-Europe, January, 2014.

Keynote speaker Scott Pulsipher, President & COO, Needle, Inc. at the North America Annual Conference, May, 2014.
BAFT experienced tremendous growth in the 2014 membership year. The association more than tripled the number of new members from the previous year, a 16-percent net growth rate over last year.

**40 is the New 20**

BAFT acquired 40 new members this past year, almost double the previous high for single year growth increase. Of our 40 new memberships, 20 are financial institutions, 19 are suppliers and 1 is from a government agency. New members are from all six regions, with the strongest growth in North America and Europe. The largest growth driver was regional banks and non-bank suppliers.

BAFT implemented a new membership dues structure for banks with assets less than $250 billion. With three new dues categories and increased recruitment efforts, 18 of the 20 new financial institution members were from the regional bank category. The strong growth of regional bank members is also a function of the growing importance of the Regional Bank Council, now representing 47 banking institutions.

**Think Global. Act Local.**

BAFT is committed to the further development of regional councils and committees to focus on the local needs of constituents within the global community.

BAFT added a regional consultant to support Europe Council initiatives, is recruiting a regional consultant to support the Asia Council and assigned a full-time staff member to support the North America Council, including the Regional Bank Council and International Advisory Council (IAC). This increased local focus includes newly produced webinars tailored to smaller institutions on topics ranging from the changing regulatory landscape to trade credit insurance. The BAFT IAC also hosted a forum to discuss issues uniquely affect foreign banks in the US, including enhanced prudential oversight and economic trends.

**Aggregating and Vetting Industry Issues**

BAFT identifies important industry issues and prioritizes them through active engagement of its members in councils and committees. When focus is needed to vet industry issues, working groups or task forces are arranged. These groups produced valuable industry tools, guidance and advocacy this year, including:

- Master Trade Loan Agreement
- Interbank Compensation Rules Update
- Comments on Notices of Proposed Rulemaking
- Input on ICC Opinions, SWIFT message changes
- Sanctions and FATCA Frequently Asked Questions (FAQ)
- Quarterly calls with US Export-Import Bank
- Ask-the-Expert roundtables on trade, payments and compliance
- Development of trade and payments workshops

BAFT committees and working groups are currently engaged on a variety of topics that aim to increase the development of best practices and improve operating efficiency across the industry. BAFT financial institution members are encouraged to participate in these committees and working groups, as are non-bank Supplier Members eligible to participate in committees based on their membership level. This is not only an excellent means to drive industry change, but an effective means of remaining current on common industry issues and solutions under development.
BAFT Members by Region

New BAFT Members

Abu Dhabi Commercial Bank
Akshay Software International Inc.
Ambank (M) Berhad
Arvest Bank
Bank Audi sal
Bank Leumi Le - Israel B.M.
Bank of the Federated States of Micronesia
Banner Bank
Berkeley Research Group, LLC
Blades International, Inc.
Bunge Global Agribusiness
Conning & Company
Currency Exchange International

DZ Bank AG New York Branch
East West Bank
Ernst & Young
Feijo Lopes Advogados
First National Bank of Pennsylvania
Fundtech Corporation
Global Coalition for Efficient Logistics (GCEL)
Industrial & Commercial Bank of China Ltd. (ICBC)
INTL FCStone Inc.
IPSA International Inc.
IRIA (US) Inc.
Itau Unibanco BA - New York Branch
JLT Specialty
KYC Exchange Net AG

Multibank Inc.
P&G Associates
People’s United Bank
PrimeRevenue Inc.
Sekerbanks T.A.S.
Sullivan & Worcester
Susquehanna Bank
United Bank for Africa PLC
United Bank Limited (UBL)
Wintrust Financial Corporation
Xangbo America Trading Corporation
Zürcher Kantonalbank
BAFT Board of Directors

Executive Committee

Chair
Rita Gonzalez
HSBC

Vice-Chair
Sara Joyce
BMO Capital Markets

Secretary-Treasurer
Michael Quinn
J. P. Morgan

President & CEO
Tod Burwell
BAFT

John Ahearn
Citi

James Peterson
Northern Trust

Vincent Raniere
Lombard Risk Management

Daniel Scanlan
Standard Chartered Bank

Andy Wright
Royal Bank of Scotland

Directors

Kimberly Burdette
PNC Bank NA

Mark Garfield
Zions Bank

Alexandra Holcomb
Westpac

Peter Knodt
Deutsche Bank

Christopher Lewis
Wells Fargo Bank NA

Victor Sastri
Bank of Tokyo-Mitsubishi UFJ

Craig Schurr
FirstMerit Bank, NA

Ian Stewart
BNY Mellon

Barry Tooker
Clear2Pay

Ian Toone
Royal Bank of Canada

Alain Verschueren
BNP Paribas

Eszter Wijkman
Skandinaviska Enskilda Banken

Jeremy J. O’B. Wilson
Barclays

Stephanie Wolf
Bank of America Merrill Lynch

John Wong
Maybank
BAFT Councils, Committees, Groups and Staff

Counsils
Asia Council  
Europe Council  
North America Council  
  • Regional Bank Council  
  • International Advisory Council (IAC)  
Transaction Banking Global Leaders (TBGL)  
Global Trade Industry Council (GTIC)  
Education Council

Committees
Trade Finance  
  Asia Trade Finance  
Financial Supply Chain  
Structured Trade/Export Finance  
Standby Letters of Credit  
Commercial Letters of Credit  
  • New York LC Subcommittee  
  • North Central LC Subcommittee  
  • Southeast LC Subcommittee  
  • Southwest LC Subcommittee  
Funds Transfer Product Management  
Information Reporting  
Payments & Compensation  
Global Regulatory Affairs & Public Policy  
Legal Advisory  
Trade Compliance  
Membership  
Supplier  
Bank-to-Bank Reimbursements

Working Groups
Best Practices AML/KYC  
Liquidity  
Payments Fraud  
Regulation E Task Force  
Trade Loan Documentation  
Oil & Commodity LC  
Risk Purchased LC

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pdevilbiss@baft.org
BAFT Members

Financial Institution Members

ABN AMRO Bank N.V.
ABSA Group Limited
Abu Dhabi Commercial Bank
Abu Dhabi International Bank
Agricultural Bank of China
Alfa-Bank
Allied Irish Banks PLC
AmBank (M) Berhad
Amegy Bank of Texas
ANZ Banking Group Ltd
Arab Bank plc
Arab Banking Corporation
Arvest Bank
Associated Bank N.A.
Banco Bradesco SA
Banco Santander
Banesto
Bank Audi sal
Bank Leumi le
Bank of America Merrill Lynch
Bank of China
Bank of Tampa
Bank of the Federated States of Micronesia
Bank of the West
Bankers Trust Company
Banner Bank
Barclays Bank PLC
BBVA - Banco Bilbao Vizcaya Argentaria S.A.
BLADEX - Banco Latinoamericano de Exportaciones S.A.
BMO Bank of Montreal/BMO Harris
BNP Paribas/BNP Paribas Fortis
BNY Mellon
BOK Financial Corporation/Bank of Oklahoma N.A.
Branch Banking & Trust Company
Brown Brothers Harriman & Company
Burgan Bank SAK
Caisse centrale Desjardins
California Bank & Trust
Capital One N.A.
Cayman National Bank
China Construction Bank
CIBC - Canadian Imperial Bank of Commerce
CIMB Group
Citigroup Inc
City National Bank
CoBank ACB
Comerica Bank
Commerce Bank N.A.
Commercial Bank of Africa Limited
Commerzbank AG
Commonwealth Bank Ltd
Commonwealth Bank of Australia Limited
Community Bank
CorpBanca
Crédit Agricole
Crédit Industriel Et Commercial (CIC)
Credit Suisse
Danske Bank A/S
DBS Bank Ltd
Deutsche Bank AG
DZ Bank AG - New York Branch
<table>
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<tr>
<th>Bank Name</th>
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<tr>
<td>East West Bank</td>
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<tr>
<td>Erste Group Bank AG</td>
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<tr>
<td>F &amp; M Bank &amp; Trust Company</td>
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<tr>
<td>Fifth Third Bank</td>
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<td>Finabank N V</td>
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<td>First Hawaiian Bank</td>
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<td>Frost National Bank</td>
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<td>Fulton Bank</td>
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<tr>
<td>Hancock Holding Company/Hancock Bank</td>
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<tr>
<td>HSBC</td>
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<td>Huntington National Bank</td>
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<td>ICICI Bank Limited</td>
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<tr>
<td>Industrial &amp; Commercial Bank of China Ltd. (ICBC)</td>
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<td>ING Group</td>
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<td>Israel Discount Bank Ltd.</td>
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<td>Rabobank International</td>
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<td>Scotiabank/The Bank of Nova Scotia</td>
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<td>SEB - Skandinaviska Enskilda Banken AB</td>
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<td>State Bank of India</td>
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</table>
BAFT Members

Sumitomo Mitsui Banking Corporation
SunTrust Banks
Susquehanna Bank
SVB Financial Group
Svenska Handelsbanken AB (publ)
Swedbank
TD Bank Financial Group
Texas Capital Bank NA
The Bank of East Asia Limited
The Bank of Tokyo-Mitsubishi UFJ Ltd.
Turkiye Is Bankasi
U.S. Bancorp
UBS AG
UMB Bank
Umpqua Bank Holdings Corporation
UniCredit
Union Bank
United Bank for Africa PLC - New York Branch
United Bank Limited (UBL) - New York Branch
Wells Fargo Bank NA
Westpac Banking Corporation
Whitney Bank
Wintrust Financial Corporation
Zions First National Bank
Zürcher Kantonalbank

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ACE Software Solutions
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Bunge Global Agribusiness
Camstoll Group (The)
Cargill Incorporated
CGI
Clear2Pay
Coastline Software Solutions
Complex Systems Inc/BT Systems, LLC
Conning & Company
Currency Exchange International
Deloitte
Dentons
EasyLink an OpenText Company
EIA-Global
Entrust
Ernst & Young
Feijo Lopes Advogados
FCIA Management Company Incorporated
Filmexrix
FIS Global
Fundtech
GE Capital Corporation
GTB Insights LLC
IIG Trade Finance LLC
International Risk Consultants, Inc.
INTL FC Stone Inc.
IPSA International Inc.
IRIA (US) Inc.
JLT Specialty
KYC Exchange Net AG
Lombard Risk Management plc
MISYS
Moses & Singer LLP
Norman Technologies
Polaris Financial Technology LTD.
P&G Associates
Premium Technology Inc.
PricewaterhouseCoopers LLP
PrimeRevenue, Inc.
Private Export Funding Corporation (PEFCO)
Sullivan & Cromwell
Sullivan & Worcester
Surecomp
SWIFT
UPS Capital Business Credit
Xangbo America Trading Corporation
Zurich North America - Emerging Markets Solutions

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Global Coalition for Efficient Logistics (GCEL)
Export Development Canada
Federal Reserve Bank of New York
Japan Bank for International Cooperation
Nippon Export and Investment Insurance (NEXI)
U.S. Department of the Treasury