

Regulatory Practice

Barack Ferrazzano's financial institutions regulatory practice encompasses the representation of bank and thrift organizations of all sizes in diverse geographic locations, ranging from money center and regional financial institutions to small community institutions. We represent their holding companies, financial service affiliates and their joint venture partners. Our attorneys routinely deal with both state and federal regulators, including the Federal Reserve Board, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission, the Financial Crimes Enforcement Network and state banking, securities and insurance regulatory agencies.

The firm provides financial institutions and their affiliates with counsel on a broad range of regulatory issues:

- Enforcement matters, including advice on examination report findings, communications and negotiations with federal and state agencies and defense of supervisory actions;
- Troubled bank issues, such as deposit insurance and related receivership matters;
- The Troubled Asset Relief Program (TARP), the Temporary Liquidity Guarantee Program (TLGP) and other issues related to the federal government's ongoing economic recovery initiatives;
- Corporate and operational compliance issues, such as lending limits, affiliate and insider transactions, management interlocks, director and officer responsibilities, Bank Secrecy Act and USA PATRIOT Act regulations;
- Contract preparation, review and negotiation, including vendor, third-party and affiliate agreements;
- Geographic expansion, including intra- and interstate branching and the establishment of nonbanking offices, such as loan production offices and deposit production offices;
- Transactional matters, such as mergers, acquisitions and branch purchases and sales;

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- Corporate structure matters, such as holding company formations, formations of subsidiaries, service corporations and joint ventures and networking arrangements with third party providers of insurance and securities services;
- New product development, including the development of electronic banking products, Internet banking operations and remote deposit programs;
- Charter conversions, such as thrift mutual to stock conversions, thrift to commercial bank conversions (including the first simultaneous conversion of a federal mutual thrift to stock form and national bank charter), conversions of state banks to national banks and conversions of national banks to state banks;
- Capital-raising transactions, including issuances of common and preferred stock, subordinated debt and trust preferred securities;
- Internal investigations, including serving as audit committee counsel;
- Nonbanking activities, including acquisitions and formation of nonbanking companies such as insurance agencies, broker-dealers, investment advisors and mortgage banks, and compliance issues relative to their operations;
- Licensing of non-bank subsidiaries and affiliates under state mortgage banking, consumer lending, insurance and securities laws;
- Consumer compliance issues, such as compliance with the Truth in Lending Act, the Equal Credit Opportunity Act, the Electronic Fund Transfer Act, the Truth in Savings Act and state and federal privacy laws;and
- State and federal law compliance issues regarding deposit access devices, including prepaid debit cards, ACH and wire transfer and development of agreements regarding such devices.

Day-to-day regulatory matters are primarily handled by the following attorneys within the firm's Financial Institutions Group with extensive and varied experience drawn from work in both the government and private sectors:

- **Karol Sparks**, who was the Chair of the American Bar Association's 1,500 member Banking Law Committee from 1998-2002, has over 30 years of experience in handling the regulatory matters and corporate activities of financial institutions, with special emphasis on the distribution of annuities, insurance, mutual funds and prepaid cards through banks, thrifts and credit unions. She is the author of the treatise, *Insurance Activities of Banks*, which was originally published in 1998 and is updated annually, and serves as adjunct professor at Wake Forest University School of Law and is a member

of the Board of Advisors of the Center for Banking and Finance at the University of North Carolina Law School at Chapel Hill.

- **John Geiringer** previously served as legal counsel for the Illinois Office of Banks and Real Estate, where he wrote legislative proposals, administrative rules, interpretive letters and policy briefings, prosecuted enforcement actions and gave speeches on a variety of issues of financial institution law. Immediately prior to joining the firm, he served as a regulatory consultant with a regional accounting firm, performing compliance reviews and training for a variety of financial institutions. John serves as an adjunct professor of banking law at Chicago-Kent College of Law. John also is a co-editor of IICLE's *Advising Illinois Financial Institutions* and authored the chapter "Supervisory Enforcement Actions and Related Civil Liability." He has served as the Chairman of the Chicago Bar Association's Financial Institutions Committee and as a Faculty Adviser to the Illinois Bankers Association's Law and Banking Principles self-study class. He currently serves as Chairman of the Enforcement, Director Liability and Troubled Banks subcommittee of the American Bar Association's Banking Law Committee.
- **J. Brent McCauley** has over 20 years of experience in the financial services industry. He represents insurance companies and agencies, broker-dealers, investment advisers, hedge funds and other private equity funds, as well as banks and bank holding companies. He advises these entities on matters ranging from formation, capital restructuring, mergers, acquisitions and other business combinations as well as regulatory matters affecting such institutions, including capital requirements, licensing, registration and examination and enforcement issues. Brent served as senior regulatory counsel in the legal department of the Federal Reserve Bank of Chicago, handling complex regulatory and supervisory matters. Brent began his career as a savings and loan examiner with the predecessor of the Office of Thrift Supervision, where he also worked as a consumer complaint specialist and fraud investigator.
- **Bruce Baker**, who currently serves as Executive Vice President and General Counsel of the Illinois Bankers Association, is of counsel to the firm. He previously served as General Counsel to the Illinois Commissioner of Banks & Trust Companies and as Senior Counsel with Dean Witter Financial Services Group, Inc. and Discover Card Services, Inc., where he oversaw the development of the Discover Card. As of counsel to the firm, Mr. Baker's practice focuses on regulatory, product development and legislative matters.
- **Judy Muncy**, of counsel to the firm, has been practicing in the financial institutions area since 1983, first with the Office of General Counsel of the Federal Home Loan Bank Board in Washington, D.C. and then in private practice in Washington, D.C. and Chicago. She has extensive experience in

counseling financial institutions and their affiliates on a wide range of corporate and regulatory matters, including mergers and acquisitions, mutual to stock conversions, charter conversions, holding company formations and state and federal compliance issues.

- **Andrea Sill** concentrates her practice in financial institution regulatory and corporate matters. Prior to joining the firm, Ms. Sill served as legal counsel for the Illinois Office of Banks and Real Estate, where she drafted interpretive letters, legislation, and examination guidelines, provided legal analysis and review of corporate applications, conducted enforcement actions, and provided training for bank examiners. Ms. Sill has also served as Chairman of the Financial Institutions Committee of the Chicago Bar Association, and she co-authored the chapter "Illinois Operational Laws and Regulations" in the 2003 IICLE *Advising Illinois Financial Institutions*.
- **Matt Stone** has more than 10 years of significant banking and bank regulatory experience, having served as an examiner for the Iowa Division of Banking and in positions with the Federal Home Loan Bank of Des Moines and two large regional banks, all prior to attending law school and obtaining an M.B.A. Matt concentrates his practice on bank regulatory and troubled bank matters.
- **Karen Kothari** was an examiner for the Federal Reserve Bank of Chicago and the Federal Deposit Insurance Corporation before joining the firm. She worked primarily on enforcing consumer protection laws and regulations, giving her practical experience on how federal banking agencies conduct examinations and apply these compliance requirements. Karen also served as the FDIC Dallas Region's central point of contact for complex consumer protection questions, which allowed her to gain an in-depth knowledge of numerous consumer protection statutes and regulations.

The following attorneys, who lead the Financial Institutions Group, also handle regulatory matters:

- **John Freechack**, the Chairman of the firm's Financial Institutions Group, has practiced exclusively in the area of banking and thrift law for over 25 years. He is an adjunct professor of banking law and regulation at the Northwestern University School of Law and was previously an adjunct professor in the graduate program in financial services law at the Chicago-Kent College of Law. He is co-editor of IICLE's *Advising Illinois Financial Institutions*.
- **Dennis Wendte** has a broad variety of experience in the representation of financial institutions in connection with a wide range of corporate and regulatory matters, including sales and acquisitions, holding company formations, private placements and public sales of securities, state and federal regulatory compliance issues and strategic planning. He is an adjunct professor of banking law and regulation at the Northwestern University School of Law.