



Community  
Bankers  
Association  
of Illinois®

*One Mission. Community Banks.®*

## CBAI Members Attend Federal Reserve's Community Bankers Symposium

On, November 18, 2016, CBAI bankers and staff attended the 11<sup>th</sup> Annual Federal Reserve Bank of Chicago's Community Bankers Symposium titled "**A New Era of Community Banking.**" Introductory remarks were provided by Chicago Federal Reserve Bank President and Chief Executive Officer Charles L. Evans, and keynote speakers included the Comptroller of the Currency Thomas J. Curry and Vice Chairman of the Federal Deposit Insurance Corporation Thomas Hoenig. Several regulator panel discussions rounded-out the day-long symposium on Exploring Emerging Risks and FinTech-Innovations in Alternative Lending Models. The evening before the Symposium, CBAI hosted a Welcome Dinner at Swift & Sons American Steakhouse which was sponsored by the Federal Home Loan Bank of Chicago.



Chicago Fed President Charles Evans discussed his rationale for a lower-for-longer interest rate environment. Evans has held to this belief consistently in several meetings with CBAI since the financial crisis and Great Recession, and he has been remarkably accurate in his prediction.

OCC Director Tom Curry discussed fintech; how banks risk falling behind if they do not make room for financial innovation; and how community banks should consider teaming-up and collaborating with fintechs to reduce costs, better serve their customers, and even reach new markets. Curry, however, cautioned about the risks of these partnerships and the need for banks to carefully manage those risks.

FDIC Vice Chairman Tom Hoenig reviewed the performance and trends in community banking including consolidation and the concentration of assets in the largest banks. Hoenig also reviewed his regulatory relief proposal for traditional banks. In its simplest form banks that hold at least 10% capital, and do not engage in high-risk less-traditional banking activities, would be entitled to an attractive set of regulatory relief measures. When questioned about the impediments to enacting such a proposal, Hoenig specifically identified resistance from financial trade associations controlled by the largest banks which only hold about half of the capital levels held by community banks.



# Welcome Dinner Pictorial

