

FEDERAL RESERVE press release



For immediate release

June 18, 1997

The Federal Reserve Board today announced the execution of a Written Agreement by and between the Federal Reserve Bank of New York and John Widmer, a former officer and institution-affiliated party of the New York Branch of Swiss Bank Corporation, New York, New York.

Mr. Widmer, without admitting to any allegations, consented to the issuance of the Written Agreement to address his alleged inadequate supervision of the foreign exchange trading of the New York Branch of Swiss Bank Corporation.

A copy of the Written Agreement is attached.

Attachment

UNITED STATES OF AMERICA

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D.C.

Written Agreement by and between)	
)	
JOHN WIDMER)	
)	Docket No. 93-023-WA/RB-I
A Former Institution-)	
Affiliated Party of)	
)	
SWISS BANK CORPORATION)	
NEW YORK BRANCH)	
New York, New York)	
)	
and)	
)	
FEDERAL RESERVE BANK OF NEW YORK)	
New York, New York)	
)	

WHEREAS, in recognition of their common goal to maintain the financial soundness of foreign exchange trading activities in the United States and to address Widmer's alleged inadequate supervision of the foreign exchange trading of the New York Branch (the "Branch") of Swiss Bank Corporation, a foreign bank, the Federal Reserve Bank of New York and John Widmer ("Widmer"), a former officer and institution-affiliated party, as defined in Sections 3(u) and 8(b)(4) of the Federal Deposit Insurance Act (the "FDI Act") (12 U.S.C. §§ 1813(u) and 1818(b)(4)), have mutually agreed to enter into this Agreement; and

WHEREAS, this Agreement is being executed in accordance with the Rules Regarding Delegation of Authority of the Board of Governors of the Federal Reserve System (the "Board of

Governors"), specifically 12 C.F.R. § 265.11(a)(15), and the Reserve Bank has received the prior approval of the Director of the Division of Banking Supervision and Regulation and the General Counsel of the Board of Governors to enter into this Agreement with Widmer.

NOW, THEREFORE, prior to the taking of any testimony or adjudication of or finding on any issue of fact or law herein, and without this Agreement constituting an admission of any allegation made or implied by the Board of Governors, the Reserve Bank and Widmer agree as follows:

1. In the event that Widmer becomes an institution-affiliated party of any institution or agency specified in Section 8(e)(7)(A) of the FDI Act (12 U.S.C. § 1818(e)(7)(A)), Widmer shall:

(a) Take such actions as are necessary, consistent with his responsibilities, to obtain advice of competent legal counsel to determine his duties and responsibilities, both initially upon accepting such a position and on a continuing basis when particular issues arise that may cause Widmer to be uncertain about his responsibilities;

(b) remain fully informed on the current status of all activities within his area of responsibility, including the

institution's or agency's compliance with its internal policies and all applicable laws and regulations;

(c) refrain from violating the standards established by any applicable federal or state statute, regulation, policy statement, guideline or similar pronouncement of any federal or state banking regulator, governing the safe and sound operation of financial institutions and take such actions as are necessary and consistent with his responsibilities to ensure that all operations within his area of responsibility are conducted in a safe and sound manner and subject to appropriate supervision by the institution or agency; and

(d) ensure that any personnel who report to Widmer are properly supervised to ensure their compliance with all applicable laws, regulations, or other agency pronouncements.

2. All communications regarding this Agreement shall be addressed to:

- (a) Mr. Donald T. Vangel
Senior Vice President
Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045
- (b) Mr. John Widmer
c/o Peter Eikenberry, Esq.
63 Wall St.
New York, New York 10005

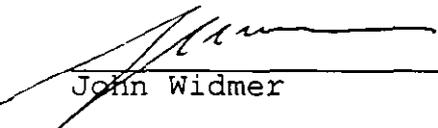
3. The provisions of this Agreement shall not bar, estop, or otherwise prevent the Board of Governors or any federal or state agency or department from taking any other action affecting Widmer; provided, however, that the Board of Governors shall not take further action against Widmer based upon any information presently known by the Board of Governors concerning the matters covered by this Agreement.

4. This Agreement, and each and every provision hereof, is binding upon Widmer and shall remain fully effective and enforceable until expressly stayed, modified, terminated or suspended in writing by the Reserve Bank.

5. This Agreement is a "written agreement" for the purposes of section 8 of the FDI Act (12 U.S.C. § 1818)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 28th day of May, 1997.

FEDERAL RESERVE BANK OF NEW
NEW YORK


John Widmer

By: 