WALLACE AND MCNEILS BANKING LAW pdf

1: Money-laundering crackdown on public schools and law firms | World news | The Guardian

Note: Citations are based on reference standards. However, formatting rules can vary widely between applications and fields of interest or study. The specific requirements or preferences of your reviewing publisher, classroom teacher, institution or organization should be applied.

Malpezzi Government entities and nonprofit c 3 organizations are among the most active borrowers in the tax-exempt bond markets. Historically, banks and other financial institutions have been involved in lending to tax-exempt entities in several ways. One of which is by providing a letter of credit to support variable rate demand obligations, or "VRDOs," issued by or for the benefit of nonprofit borrowers and governmental entities, such as counties, cities, school districts, townships or boroughs, and sold in the capital markets by underwriters who initially purchase the obligations. In the case of nonprofit organizations that do not have the legal ability to directly issue tax-exempt debt, the obligations must be issued through a conduit authority having the power under Pennsylvania law to issue tax exempt bonds or notes for the benefit of the intended ultimate user of the VRDO proceeds, i. VRDOs represent a type of variable rate bond that is structured to provide the benefit of allowing governmental or nonprofit organizations to borrow money on a long term basis, but at short-term interest rates. Such obligations typically have the following features: To make all of this work, a bank or other financial institution issues a letter of credit in favor of the trustee or paying agent for the VRDOs. The letter of credit provides that the trustee or paying agent may draw upon the letter to make payments of principal and interest on the bonds when due and to provide a source of payment of the purchase price of VRDOs that are subject to optional or mandatory tender and which the remarketing agent has been unable to remarket and sell for any reason. All draws under the letter of credit must be repaid by the borrower to the issuing bank, with interest at a bank-designated interest rate. These arrangements have the effect of providing credit enhancement for the VRDOs by substituting the credit and credit rating of the letter of credit bank for the credit and credit rating of the governmental or nonprofit conduit borrower. A bank or other financial institution issuing a supporting letter of credit is effectively extending a credit facility to the borrower, which would by documented between the letter of credit bank and the borrower by a reimbursement or letter of credit agreement and secured by mortgages, personalty or other collateral in the same manner as any other loan. Otherwise the function of substituting credit ratings for the VRDOs does not work. In the past, in order to work around this problem, smaller banks could accommodate their customers by structuring a transaction whereby i a financial institution with the requisite rating would issue a fronting letter of credit to the VRDO trustee or paying agent and ii the community bank would issue a backing letter of credit to, or otherwise enter into a reimbursement agreement with, the fronting letter of credit bank providing for the payment by the "backing" bank of all draws on the fronting letter of credit. The "credit" extended by the backing bank to its governmental or nonprofit customer would be documented and collateralized as a loan transaction. Such arrangements worked fairly well while letter of credit commitment fee rates were relatively low and until the credit market turmoil that occurred in , and into During this period, the availability of letters of credit essentially disappeared as many letter of credit banks experienced significant draws on their credit facilities as investors exited the VRDO market en masse. This resulted in letter of credit banks holding a substantial exposure to "bank bonds" which they now owned as a result of letter of credit draws to fund the purchase price of optional tenders and for which there existed no demand for a remarketing and sale. This liquidity issue no longer exists for the most part, but the fallout from the turmoil is that the bank pricing for letters of credit has significantly increased to the point where it is difficult for a VRDO transaction to economically justify the dual level of fees involved in the use of two letters of credit. This is particularly true given the current historically low fixed interest rates, and the fact that many issuers or conduit borrowers are choosing to utilize fixed rate tax-exempt debt in order to take advantage of the low rates and to avoid the uncertainties and pitfalls of letter of credit backed VRDOs. Another potential method of participating in tax-exempt lending by community banks is through the provision by the bank of a "liquidity facility" for VRDOs in the form of a standby bond purchase agreement delivered to the bond trustee or paying agent for the benefit of the VRDO issuer or conduit borrower. This is an agreement whereby the delivering bank agrees that it will purchase VRDOs that are the subject of an optional tender by bondholders or a mandatory tender under the bond documents in the event the tendered bonds cannot be sold by the remarketing agent. The bank becomes the owner of the tendered bonds, which then typically bear interest at a much higher "bank rate" and are subject to accelerated amortization and repayment if the bonds remains "Bank Bonds" for a specified period of time. Unlike a letter of credit, a standby bond purchase agreement is limited solely to the purchase of bonds, and does not support scheduled payments of principal and interest. However, similar to the letter of credit structure, the delivering bank must have an adequate recognized credit rating in order for the standby bond purchase agreement to meaningfully support and add credit enhancement to the VRDO issue. These kinds of loans are sometimes referred to as "bank-qualified" or "BQ" loans. Unfortunately, but perhaps not surprisingly, the tax law and IRS rules and regulations governing bank-qualified loans are complex and can be difficult to understand for financial institutions that do not regularly engage in such lending. There are two levels of analysis involved in looking at a potential bank-qualified loan. The first is whether the loan can qualify for tax-exempt treatment at all. Not every loan to a government body or a nonprofit organization is or can be tax exempt. The second level of analysis is whether the loan, even if tax-exempt, can be bank-qualified. What does it mean for tax-exempt obligations to be bank qualified? Under the Internal Revenue Code, financial institutions that acquire tax-exempt bonds or notes are subject to loss of a corresponding deduction for its interest carry expense unless the subject bonds or notes are designated as "qualified tax-exempt obligations" under Section b 2 B of the Code. Certain special rules apply for purposes of aggregating related issuers, dealing with composite issues i. These changes greatly increased the capacity of a single issuer to issue, and ability of financial institutions to acquire and fund, bank-qualified tax-exempt obligations. Consequently, tax-exempt obligations that are issued after that date are once again subject to pre-ARRA rules and limitations. Community banks that desire to engage in tax-exempt lending to government entities and nonprofit organizations can explore the alternatives described above. While this is a highly technical area, the demand and credit quality that many of these kinds of borrowers present are often very attractive. This is particularly true of government borrowers whose obligations are backed by its full faith, credit and taxing power pursuant to a borrowing under the Pennsylvania Local Government Unit Debt Act.

2: William Wallace | Open Library

*Wallace and McNeil's Banking Law (Greens Practice Library) [William Wallace, Allan McNeil, D.B. Caskie] on www.enganchecubano.com *FREE* shipping on qualifying offers. This updated edition includes material on the Banking Act , the impact of the Financial Services Act*

3: Caskie - Meaning And Origin Of The Name Caskie | www.enganchecubano.com

W. Green fromâ‚¬ Wallace and McNeil s Banking Law - Google Books Buy Banking Law by William Wallace, Allan McNeil, D.B. Caskie (ISBN:) from Amazon s Book Store. Free UK delivery on eligible orders.

WALLACE AND MCNEILS BANKING LAW pdf

Journal of management accounting research Seashore life between the tides Advance of English poetry in the twentieth century Physical and Computer-Aided 3D Modeling. Sanskrit learning books in bengali New taxonomy of educational objectives Sex In Films (Film Books) The international reception of Samuel Beckett Harvard Business Review on Leading Through Change (Harvard Business Review Paperback Series) The Irish Priests In The Penal Times 1660-1760 Rules Britannia: The 101 Essential Questions of Britishness Answered Sas system for elementary statistical analysis Views in Australia or New South Wales Van Diemens Land delineated And Sunday makes seven Progress by Land during the Last Period, 1818-1910 Further algebra and applications How i play golf tiger woods Barchester Towers On medullary carcinoma of the thyroid. Frank isc economics class 11 Effectiveness of social care for the elderly Essentials for the scientific and technical writer Russian verbs in the twenty-first century To Later Civilizations? The fellow of no delicacy The civil war a concise history Carol of the bells violin sheet music Sea vegetable gourmet cookbook and wildcrafters guide Beyond c-reactive protein: novel markers of vascular inflammation Christopher Heeschen The courts: women and decisions Stress Management for Over-Achievers Land of powerful influence Changes to the law on domestic violence Electrical engineering principles and applications Factors related to clinical performance of baccalaureate nursing students Pennsylvania statutes word frequency list. Elements of Writing Revised Edition First Course Word Choice and Sentence Style Worksheets With Answer Ke The life and strange suprizing adventures of Robinson Crusoe, of York, mariner, as related by himself Sect. 3. Clinical optics Linear programming with matlab book