



The Benjamin Lawskey era at the DFS

May 16, 2011

New York Gov. Andrew Cuomo nominates Benjamin Lawskey to lead the newly created Department of Financial Services. Lawskey is Cuomo's chief of staff at the time, and a former assistant U.S. attorney in the Southern District of New York.

May 25, 2011

The New York Senate confirms Lawskey as the DFS superintendent

Aug. 6, 2012

Lawskey and the DFS accuse Standard Chartered Bank of a decade-long conspiracy to launder money with the Iranian government. The DFS threatens to revoke the company's New York licenses and suspend its U.S. dollar clearing operations. The move angers federal regulators and officials who had been working with the company to settle claims related to the matter. Sources indicate that Lawskey and the DFS were not interested in settling without disclosing details of the bank's actions.

March 13, 2014

Lawskey says he is prepared to identify guilty individuals as part of settlements and enforcement work in an effort to discourage misconduct in the financial sector. His first target is BNP Paribas, which had violated U.S. sanctions against Iran and Sudan.

Feb. 6, 2014

The DFS also halts Ocwen Financial Corp.'s acquisition of mortgage servicing rights from Wells Fargo & Co – a \$2.7 billion transaction. Lawskey cites concerns about whether Ocwen, to which the DFS had previously issued a consent order, can manage more loans in its servicing portfolio.

Feb. 5, 2014

Lawskey launches a DFS investigation into global bank foreign exchange trading practices, following the lead of federal authorities who had opened up an investigation into bank FX activities.

Aug. 14, 2012

Standard Chartered agrees to pay a \$340 million civil penalty the day before a hearing to decide if the DFS would revoke its state license. The bank acknowledged the settlement covered transactions where it had previously denied wrongdoing and agreed to install a monitor to oversee international transactions.

April 2014

The DFS subpoenas Credit Suisse Group AG as part of an investigation into tax evasion schemes by the bank.

June 2014

BNP Paribas cuts ties with a senior adviser who had previously served as head of compliance and internal controls for BNP Paribas. Lawskey had sought his removal as part of an eventual settlement over the bank's violations of U.S. sanctions.

July 9, 2014

BNP Paribas pleads guilty to violating U.S. sanctions, after agreeing to pay a record \$8.97 billion fine amid federal and state probes.

November 2014

Lawskey insists on a more punitive settlement related to FX rate manipulation, causing Barclays Plc to skip participating in a group settlement with federal regulators. Lawskey later expands his investigation to other global banks and the DFS unearths additional evidence of currency irregularities.

May 26, 2015

Lawskey tells CNBC that the DFS needed to "turn the table over" on enforcement and regulation.

May 25, 2015

Reports indicate that the DFS will continue its own investigations into foreign exchange abuses through automated trading, despite a \$5.6 billion settlement announced between a group of major banks and federal authorities.

May 20, 2015

Reports surface that Lawskey will leave his post in late June, and the move is later officially announced. Lawskey plans to launch his own consulting firm in New York.

April 23, 2015

Deutsche Bank AG agrees to settle charges related to manipulating LIBOR and other benchmark interest rates. Of the \$2.5 billion settlement, the DFS grabs \$600 million, marking another major victory for Lawskey working with federal regulators.



Source: SNL Financial
Credit: Cat Weeks