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► **LAWYER'S NOTES**

The legal side of bank consolidation

The consolidation of banks in South Florida has been a trend for years, and experts expect the acquisition of local banks to continue, as discussed in this week's cover story, Pages 10-11. Mergers and acquisitions are no small feat, due to the complex nature of these deals.

Lewis Cohen, founding partner of Miami-based Cohen Nicoleau, a law firm that specializes in banking and commercial finance litigation, shares his thoughts on what is making profitability a challenge for South Florida's community banks:

What obstacles do community banks face? It's a matter of interest rates, operating costs, and new compliance regulation, which is probably the biggest line item on most small bank's budget.

What specific legislation is affecting community banks? Passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act, in particular, made the compliance requirements for banks much more stringent. With more and more areas being in a complex regulatory environment such as the Patriot Act, [and] the Bank Secrecy Act, the cost of compliance has increased significantly.



Lewis Cohen