



SOUTH FLORIDA CHAPTER

From the President's Corner

Members,

As the new president for the RMA Chapter of South Florida I want to thank Reese Sastro, CRC, past President and our past Board for all the hard work and leadership you have provided the RMA membership. Last year was very successful for our chapter as we recently learned that we have been awarded the **Platinum Award**, which is the highest rating a chapter can earn. Reese will be attending the Annual Risk Management Conference in Philadelphia in November to accept the award on our behalf. This is the second consecutive year our Chapter has won this award and stealing a phrase from Pat Riley lets go for a "Three Peat" in 2013-2014.

I would also like to thank our new Board for the 2013-2014 year (see listing). We have many new things planned for the year and this can only be accomplished with your support, vision and leadership. On August 8th the new board and some of the leadership of our YP Group met for a planning session for the 2013-2014 year. I felt this was a very productive meeting and we came away with a calendar of events for the year and the following goals and priorities: 1) Expand our membership and geography 2) Add programs and educational events 3) Add another Affinity Group and 4) Increase sponsorships.

Kicking off our year we held an educational event, on October 10th, Business Writing for Bankers at the PNC facility in downtown WPB. Additionally we had the Sr. Credit Officer Panel discussion on October 23rd at the Westin in Cypress Creek (Broward). This was a new event for RMA South Florida Chapter and the turnout and attendance was outstanding with over 90 participants. Thanks again to Dev Strischek, Maxine Kaplan, Frank

Parrella and Dennis Gavin for your support and participation on the panel.

As a result of the planning meeting we have many additional events planned for the year. The next educational event is on 12/13/2013 Detecting Problem Loans. You can get information on this and other upcoming events on our web site: <http://Community.rmahq.org/SouthFlorida/home/>. In addition to our Web site you can join our LinkedIn group and connect with RMA-South-Florida-Chapter.

As we continue the journey this year with RMA I want to encourage you to get involved. RMA is a great organization to network and build relationships within the financial services industry. If you want to get involved we have numerous ways to help you get engaged and to build leadership skills. I would be happy to discuss RMA and its many benefits with you. You can reach me at 561-212-3048 or at Bart.bishop@53.com if I can help in any way. Let's Three Peat!

Best wishes!

Bart Bishop
5/3 Bank
President – RMA of South Florida

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Member Spotlight



Frank Delia, Kubiki Draper, PA

As a member of the Firm's Commercial Litigation Practice Group, Mr. Delia focuses his practice on creditor's rights, commercial bankruptcy, commercial law and business litigation. Mr. Delia concentrates his practice in commercial foreclosures of real property and personal property interests representing institutional lenders and individual creditors. He has acted as trustee's counsel in complex bankruptcy cases and is a member of the Bankruptcy Bar throughout the State.

Previously, Mr. Delia pursued a career in law enforcement and the military from 1988 to 1995. In 1990, he served as an Infantry Anti-Tank Team Leader with the U.S. Marine Corps' 22nd Marine Expeditionary Unit during Operation Desert Storm and Desert Shield and in various overseas deployments, for which he received several service recognitions including, the National Defense Service Medal, the Kuwait Liberation Medal, the Marine Unit and Navy Unit Citations, Southwest Asia Service Medal and (2) Overseas Deployment Ribbons.

Areas of Practice:

Bankruptcy and Creditors Rights
Commercial Foreclosure
Commercial Law and Business Litigation
Real Estate Litigation

Bar Admissions:

2005, State of Florida
U.S. District Court, Southern District of Florida
U.S. District Court, Middle District of Florida
U.S. District Court, Northern District of Florida
U.S. Bankruptcy Court, Southern District of Florida
U.S. Bankruptcy Court, Middle District of Florida
U.S. Bankruptcy Court, Northern District of Florida

Education:

Nova Southeastern University, Davie, FL (J.D., 2004)
Florida Atlantic University, Boca Raton, FL (B.A., 2000)

Honors and Awards:

Moot Court Honor Society - Nova Southeastern University
Phi Alpha Theta - History Honor Society - Florida Atlantic University

Published Works:

"Military Operations Other Than War", Presented to NATO (FU-1999)
"We Have Ways to Make You Talk" (US Patriot ACT), Nova Southeastern University (Nova-2003) Various articles for Crossroads Magazine dealing with legal issues for people in the South Florida Motorcycle Community (2003)

Professional Associations and Memberships:

Florida Bar Association
Florida Justice Association
Southern District of Florida Bankruptcy Court, 2010 Local Rules Committee
Bankruptcy Bar Association, Southern District of Florida Leadership Palm Beach, Class of 2011
Palm Beach County Ethic Committee, 2011
Palm Beach County Bar Association
Business Litigation CLE Committee, 2012-2013
Corporate Law and Counsel Committee, 2012-2013
Professionalism Committee, 2012-2013

Presentations:

"United Nations Peacekeeping Studies", 1999
"Military Operations Other Than War", 1999 (NATO) Commanding United Nations Peacekeeping Operations

Pro Bono Activities:

Jessup International Law Moot Court Competition's Judge

RMA Sponsors

RMA South Florida Chapter would like to recognize and thank our annual sponsors for the 2013-2014 year. These sponsors make it possible for our chapter to host a wide variety of educational events and expand our commitment to Palm Beach, Broward and the Treasure Coast.



The Growing Number of Tax Identity Theft

By Joao H. Gomes, CFE, MTx with Alpern Rosenthal

Tax identify theft has been a major concern to the IRS given its frequency and economic impact. Identity theft in general is a growing concern to the U.S. government as well as private businesses. Victims are affected not only by having their refunds delayed, but in other aspects such as providing tax return transcripts to acquire loans, to schools and organizations, and other verification initiatives. The IRS is taking steps to minimize this type of fraud and to provide valuable information to help taxpayers prevent this type of fraud.

The advancement of technology helped the IRS transition to “efiling”, or the electronic filing of a tax return. This new method promised delivery of a more accurate filing and a faster refund to those expecting one. However, almost simultaneously, fraudsters found ways to intercept the refunds before reaching the rightful owner (taxpayer). Instead of the old method of breaking into a mailbox or something similar, thousands of returns were fraudulently filed and

the respective refunds deposited or cashed. Damage to our economy, government, and American citizens has reached billions of dollars. The U.S. government finally took a more proactive measure to curtail this problem and respond to the most obvious loopholes that fraudsters relied upon.

According to the IRS Advisory Council (IRSAC) 2012 Public Report, from 2008 to mid-2012, the IRS identified more than 600,000 taxpayers who have been affected by identity theft. According to the National Taxpayer Advocate’s 2012 Annual Report to Congress, the IRS’s Identity Protection Specialized Unit (IPSU) received close to 450,000 cases in FY 2012, a monumental 78% increase from FY 2011. The IRS, utilizing new initiatives, has protected \$1.4 billion in refunds in 2011, as reported in the IRSAC 2012 Public Report. As of mid-April 2012, the IRS secured \$1.75 billion in claimed refunds using filters specifically targeting refund fraud.

In its report, the IRSAC proposed six recommendations to the IRS to further prevent this type of fraud from occurring:

The IRS should strongly consider delaying refunds until after verification of the taxpayer’s identity.

The IRS should continue to work with the banking industry to find and prosecute the perpetrators who use debit cards.

Authentication procedures should continue to be studied so that refunds can be processed more quickly when a taxpayer’s identity is authenticated.

Consider publicizing the protections the IRS has in place and the need to slow down refunds until information returns are matched or verification confirmed.

The IRS should consider continued expansion of the IP PIN for taxpayers who have their identity stolen, and perhaps extend this to all taxpayers who request refunds before verification.

The IRS should continue its Criminal Investigation Division work with and prosecution by the Justice Department, making results public so that the consequences of identity theft are understood by the public.

The IRS is taking the necessary steps to prevent tax identity fraud. Taxpayers must do their part to understand the ramifications and how to secure their refund and, even more importantly, protect their tax identity. The IRS has a dedicated web address with valuable information at www.irs.gov/uac/Taxpayer-Guide-to-Identity-Theft.

Alpern Rosenthal is available if you need tax planning assistance. Please contact our office at 561.689.7888 or visit us at www.alpern.com. Alpern Rosenthal, a Top 100 accounting firm, provides a full range of accounting, auditing, tax, business advisory and consulting services to a diversified client base of privately-held and public companies, as well as a large number of not-for-profit organizations.

Recognizing if Your Borrower Has SAREs

By Frank P. Delia, Esq.

When referring to SAREs I am not speaking about the latest virus being talked about in the United Nations or at the World Health Organization. What I refer to is a bankruptcy term characterizing a type of real property asset better known as a “Single Asset Real Estate”.

What does it mean and what are the implications? Single Asset Real Estate properties force special conditions on a borrower when they file bankruptcy, particularly a Chapter 11. These special conditions, if not met by the borrower turned bankruptcy debtor, make it easier for a lender to lift the automatic stay and recover the real property and/or collateral.

The Bankruptcy Code Section 101(51b) defines “Single Asset Real Estate” to mean:

“Real property constituting a single property or project other than residential real property with fewer than four residential units, which generate substantially all of the gross income of a debtor who is not a family farmer and on which no substantial business is being conducted by a debtor other than the business of the operating of the real property and activities incidental.”

To fall within a SARE designation, a debtor must satisfy three conditions:

It must be a “single property” or a “single project”. If a group of properties has a related connection or purpose in a common plan or scheme involving their use, it may qualify as a SARE.

Single property or single project constitutes substantially all of the revenue. What the court will look for here is whether the debtor’s activities are able to generate revenue separately from the sale or lease of the underlying real-estate. For example, a hotel that has a catering business, holding wedding events, retail shops in the lobby, and rents jet skis may not be considered a SARE, because a portion of its income is generated from activities other than the real-estate.

No business other than the operation of the real property and activities incidental thereto. Activities that are incidental to the operation of the real estate may still qualify for SARE definition. An example would be purchasing land, planning and construction of homes for sale and marketing because it can only generate revenue from the incidental sale of the underlying real estate.

The reason why a SARE designation is important to a lender is because a debtor in bankruptcy has less latitude in how the bankruptcy is to proceed and the amount of time to file a confirmable plan. In short, a debtor that is deemed a SARE has 90 days to file a plan of reorganization and it must have a reasonable possibility of being confirmed.

Additionally, if the debtor cannot submit a plan having a reasonable possibility of being confirmed, it must begin making payments to creditor equal to the non-debt contract rate of interest on the loan.

As you can see, a SARE property puts additional pressure on the debtor to get a confirmable plan together quickly, or begin making payments. This added pressure can make it easier for the lender to lift the automatic

stay and recover its collateral will add to the negotiating strength of the lender if payment under a Chapter 11 plan is inevitable.

Lenders should, when the loan is being considered, ask very specific questions to determine if the property being purchased can be considered a SARE asset. This would help define the risk to the lender if bankruptcy is filed, but also keep litigation costs down, should the lender have to lift the automatic stay and recover its collateral. Also, if the borrower, at the inception of the loan claims this is a SARE property, but later changes its usage by adding collateral lines of business, it could be argued, later at litigation that this information was not disclosed to the lender. If the borrower does not disclose or changes the usage of the business without notice and approval of the lender, arguments of bad faith in the bankruptcy could be made as well as additional grounds for breach of the loan.

In sum, it is a good idea to ascertain from the inception of the loan if the real property is to be used as a Single Asset Real Estate. If the loan becomes non-performing or the borrower files for bankruptcy it would be easier to prove the property is a SARE and easier to lift the automatic stay. The greater pressure placed on the borrower/debtor will put the lender in a better negotiating position by forcing shortened time periods to proffer a confirmable plan or making payments.

As a member of the Firm's Commercial Litigation Practice Group, Mr. Delia focuses his practice on creditor's rights, commercial bankruptcy, commercial law and business litigation. Mr. Delia concentrates his practice in commercial foreclosures of real property and personal property interests representing institutional lenders and individual creditors. He has acted as trustee's counsel in complex bankruptcy cases and is a member of the Bankruptcy Bar throughout the State.

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Areas of Practice:
- Bankruptcy and Creditors Rights
- Commercial Foreclosure
- Commercial Law and Business Litigation
- Real Estate Litigation

Recent Events

Educational Course: Business Writing for Bankers

On October 10th, 2013 RMA South Florida Chapter offered a Business Writing for Bankers educational course at PNC Bank in downtown West Palm Beach. Eight participants attended this all day course and then the out-of-town participants enjoyed our South Florida community for the remainder of the weekend.

2013 Senior Credit Panel Seminar



(Bart Bishop introducing the event participants)

October 23rd, 2013 marked the 2013 Senior Credit Panel Seminar in Ft. Lauderdale. This new event for RMA South Florida Chapter was well attended and signified a renewed commitment to service the Broward County market.

The event was moderated by Dev Strischek, SVP & Senior Credit Policy Officer for SunTrust Bank. Dev led an entertaining and informative discussion by asking relevant credit related questions to the panel of:

Maxine Kaplan – Managing Senior Credit Officer
TD Bank

Frank Parrella – Senior Credit Executive
Capital Bank

Dennis Gavin – Chief Credit Officer
Paradise Bank

The Senior Credit Panel offered a unique perspective of various credit related issues that banks of varying size in South Florida face on a day to day basis.

RMA South Florida Chapter would like to thank all participants, attendees and sponsors for helping to make this such a successful event.



(Dev Strischek leading the panel discussion)

Young Professionals Corner

The 2013-2014 Young Professional (YP) Board has outlined another exciting year of educational events and networking opportunities:

- **Advocating for Your Success:**
A three part “Lunch and Learn” series designed to educate young professionals on how succeed in a competitive financial services industry within a changing regulatory environment.
 1. *Market for Your Success*
Attend a seminar led by a marketing professional Patrick Barbanes to learn how to create your own marketing campaign using social media.
November 14th, 2013
Bear Lakes Country Club
West Palm Beach

2. *Planning for Your Success*
Join a professional recruiter and banking team leader to learn what experience, skills, education and licenses yield the most marketable careers in the financial industry. January 23rd, 2014
Bear Lakes Country Club
West Palm Beach

3. *Where Do I Fit in a Changing Financial Industry?*
Interact with local industry leaders to learn how the financial industry will likely evolve and how to position yourself for success. March 13th, 2014
Bear Lakes Country Club
West Palm Beach

- **RMA YP Signature Charity Event:**
In Spring 2014 RMA YPs will host the 1st Annual Charity Event. This year’s event will consist of a competitive team bowling event with all proceeds and fundraising to benefit a local charity. Stay tuned for more details and begin working on your 7-10 split!
- **Monthly Networking Happy Hours:**
Join RMA YPs and South Florida Chapter RMA Board Members at monthly happy hours hosted by RMA YPs.

If your organization has any young professionals, please send a quick email to the current President, Trey Fogg at tfogg@communalink.com, with their contact list so that we can reach out to them, add them to our distribution list and help get them involved in the RMA. They can also visit the RMA South Florida Chapter – Young Professionals group on LinkedIn.

RMA South Florida Chapter Presents



OUR CALENDAR OF EVENTS

South Florida Chapter

General Membership Meetings & Educational Offerings in 2013/2014:

Date/Time/Location

RMA YP: *Advocating for Your Success*
Marketing for Your Success

November 14th, 2013
Bear Lakes Country Club, West Palm Beach, FL

EDUCATIONAL OPPORTUNITY:
Detecting Problem Loans

December 13th, 2013
West Palm Beach, FL *{Register Online}*

RMA YP: *Advocating for Your Success*
Planning for Your Success

January 23rd, 2014
Bear Lakes Country Club, West Palm Beach, FL

EDUCATIONAL OPPORTUNITY:
360° Negotiating Skills for Bankers

February 7th, 2014
West Palm Beach, FL *{Register Online}*

RMA YP: *Charity Event*
Bowling Tournament

February 20th, 2014
TBD

EDUCATIONAL OPPORTUNITY:
Lending to the Long-Term Care Industry

March 7th, 2014
Ft. Lauderdale, FL *{Register Online}*

RMA YP: *Advocating for Your Success*
Where Do I Fit in a Changing Financial Industry

March 13th, 2014
Bear Lakes Country Club, West Palm Beach, FL

EDUCATIONAL OPPORTUNITY:
Relationship Management: Using Credit as a Sales Tool

June 6th, 2014
West Palm Beach, FL *{Register Online}*

Credit Risk Certified Members

- | | |
|-----------------|-------------------|
| Randy Boone | Susan Eldred |
| John Valenti | Reese Sastro |
| John Cassis | William Tinsley |
| Brian Young | Susan Rabinowitz |
| Jim Springer | Gary Sedlak |
| Butch Browning | Christine Simpson |
| Milton Espinoza | |

For a list of all upcoming RMA events or to register for an event, please visit our chapter home page at:

<http://community.rmahq.org/SouthFlorida/Home>

Joining RMA as an Associate is easy. If you are an employee of an RMA Member Institution, you may join for a \$75 annual Associate fee and any local chapter dues. To find out more please contact art Bishop at 561-862-5109 (bart.bishop@53.com)

Joining RMA is an investment in yourself and your future. Make that investment!

Special note from the editor:

Our chapter presents opportunities for individuals to get involved. Chapters rely on the talents of volunteers to stage many of their programs, conduct membership development efforts, and promote the ideals of the Association. To find out more about how to can get involved, please contact Trey Fogg at tfogg@communalink.com or (561) 371-0095.

Registration for events is welcome from our members and all prospective members. Please join us at our next meeting.

For more information about our educational event schedule, contact: Education Committee Chair - Jim Springer jspringer@pbcblink.com.

2013-14 (South Florida) Board Officers & Committees**President:**

Bart Bishop
Fifth Third Bank 561-862-5109

Vice President:

Beau Marburger
Floridian Community Bank 561-333-5773

Past President:

Reese Sastro, CRC
First Bank of the Palm Beaches 561-847-2723

Secretary:

John Valenti, CRC
SunTrust Bank 561-835-2605

Treasurer:

Christine Meyers, CPA 561-227-1534

Membership Committee:

Chris Kennedy,
TD Bank 561-333-5773

Communications/Marketing Committee:

Trey Fogg
COMMUNALink 561-371-0095

Program Committee:

Kirk Nelson
CB Richard Ellis 561-227-1803

Beau Marburger
Floridian Community Bank 561-333-5773

Education Committee:

Jim Springer, CRC
Palm Beach Community Bank 561-681-7232

YP Committee:

Trey Fogg
COMMUNALink 561-371-0095

YP Board Liaison:

Alexander Nall
Bank of America 561-838-2386

Nominating Committee:

Reese Sastro, CRC
First Bank of the Palm Beaches 561-847-2723

Robin Henderson
Bank of America 561-838-2291

Jim Springer, CRC
Palm Beach Community Bank 561-681-7232

Members at Large:

Susan Rabinowitz, CRC
Bank of America 561-838-2390

Stephen Ritmiller
Alpern Rosenthal 561-689-7888

Kelley Herrmann
Sifrit Real Estate 561-632-3983