# The Ripple

# Effect

## How September 11 transformed banking — and the people who protect it

BY LAINE CROSBY

TO MARK THE 25TH ANNIVERSARY OF SEPTEMBER 11, I asked members of my Editorial Advisory Board to reflect on a simple question: How did 9/11 change your life, your career and the banking industry?

Nearly every response began the same way: "I remember exactly where I was."

Twenty-five years later, the memories remain remarkably vivid. But while everyone remembers the tragedy, the lasting impact unfolded differently for each person. Some saw their careers take unexpected turns. Others watched banking transform through new regulations, stronger risk management and the rise of financial crimes compliance. Many discovered a deeper sense of purpose that continues to guide their work today.

Together, these reflections offer more than a look back at one tragic day. They tell the story of how September 11 reshaped an industry — and the professionals dedicated to protecting it.

### *The day that changed everything*

**Barbara Boccia, JD, CRCM**

As we approach the 25th anniversary of September 11, 2001, I don't think of it from the perspective of a banker. I remember it as a tragedy that happened at "home." Growing up across the Hudson River in New Jersey, I watched the Twin Towers rise over the New York skyline. They quickly became more than office buildings — they were part of everyday life, a place to work, shop, dine and proudly show every out-of-town visitor.

On the morning of September 11, I was in my kitchen in San Francisco when a radio broadcast was interrupted with news that an airplane had struck one of the towers. I ran upstairs to get my 5-year-old daughter, instinctively needing to know where she was, as we turned on the television just in time to watch the second plane hit. The black smoke billowing across the skyline filled the screen. In those moments, our world — and her world — changed forever.

As the day unfolded, news spread among family and friends of those who were still unaccounted for. I lost a cousin that day. Another cousin, a New York police officer, was among the first responders. My brother and his colleagues at the FedEx Air Freight Center in Newark gathered food and water and drove toward the city to support rescue efforts.

In the weeks and months that followed, I watched a community, a country and a world come together with extraordinary courage, compassion and resilience in the face of unimaginable loss. Twenty-five years later, the New York skyline has healed, but the memories have not. The World Trade Center Memorial now stands where the Twin Towers once rose, honoring those who were lost and those who answered the call to serve.

Others will tell the story of how September 11 transformed banking. For me, it will always be the day home changed forever — and the day "Never Forget" became a promise we continue to keep.

Dedicated to those who fell and to those who carry on. May we never forget.

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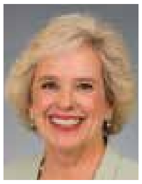
### Lynn Woosley, CRCM



In September 2001, I was a bank examiner with the Federal Reserve Bank of Atlanta. Looking back, one of the things I remember most is how differently my parents experienced September 11 than I did. Having lived through both the Great Depression and Pearl Harbor, they believed 9/11 was the worst thing that had happened to the United States in their lifetimes. My father, who was stationed at Pearl Harbor during the attack, was especially shaken. Beyond the immediate tragedy, he worried about something larger — the nation's resilience and its ability to remain united.

On September 11, I was in Alabama with my parents, sisters and young children for the funeral of a favorite uncle when we watched the attacks unfold on television. Grief over our personal loss quickly merged with grief for our country. Like so many Americans, I worried about family members, friends near the World Trade Center, and what would come next.

In many ways, September 11 became a personal inflection point. I felt less safe, especially working in a federal building. I became more conscious of security, more protective of my young children, and more aware that the institutions we served could themselves become targets.

The Federal Reserve changed as well. Bollards were installed around buildings, "man trap" entry systems replaced exterior doors, badge access between floors became standard, and vehicle inspections became much more rigorous. These visible changes reflected a broader shift in how we thought about risk, preparedness and resilience.

Twenty-five years later, I still think about my father's words. He had lived through one defining attack on America, and I had lived through another. Both generations understood that our nation's strength would ultimately be measured not only by how we responded in the moment, but by how we adapted in the years that followed.

### Jason Keller

On September 11, 2001, I was a newly commissioned bank examiner with the Federal Reserve Bank of Chicago, working on one of the largest examination assignments of my young career. Like any other Tuesday, I arrived focused on my work, unaware that the events of that morning would permanently change both the country and my understanding of what it meant to serve the banking industry.

When news broke that a plane had struck one of the Twin Towers, we gathered around radios, computers and televisions trying to understand what was happening. After the second plane hit, the Federal Reserve building was immediately locked down, and Federal Reserve Police moved into full protective mode. As uncertainty spread, many of us wondered whether Chicago — or the financial system itself — might also become a target.

Later that day, nonessential personnel were sent home, but many senior examiners remained at the Reserve Bank around the clock, working with banks and bank holding companies to help ensure the stability of the financial system. As a junior examiner, I remember feeling an unexpected sense of pride. Even though my role was small, I understood that I was part of something much larger than myself.

In the days that followed, I learned more about the extraordinary efforts at the Federal Reserve Bank of New York, which served as both a triage center for those fleeing the attacks and a command center for protecting the nation's financial system.

That experience shaped the next two decades of my career at the Federal Reserve. It reinforced the importance of leadership during uncertainty, business continuity planning, technology and operational resilience — lessons that remain just as relevant today. As we mark the 25th anniversary of September 11, I still think about those who boarded a train and went to work that morning, just as I did, but never returned home.

#### Banking changed forever

For millions of Americans, September 11 remains a day of profound personal loss and unforgettable memories. For those working in banking, however, the tragedy also marked the beginning of a fundamental transformation.

In the days, months and years that followed, the industry reexamined nearly every aspect of its operations, from business continuity and disaster recovery to payment systems, customer identification and the fight against terrorist financing. The changes extended far beyond new regulations. They reshaped careers, redefined responsibilities and altered how bankers thought about protecting not only financial institutions, but the nation itself.

"In the days, months and years that followed, the industry reexamined nearly every aspect of its operations, from business continuity and disaster recovery to payment systems, customer identification and the fight against terrorist financing."

The reflections that follow trace that evolution through the eyes of the professionals who lived it.

### Thomas Healy, CRCM

I was attending a security conference in Charlotte, North Carolina, when an announcement interrupted the program. Everyone gathered around a television to watch the events unfold. After initially being told to shelter in place, we were eventually asked to leave. As I walked through downtown Charlotte, what struck me most was the silence. The streets were quiet, and for the first time I could remember, there were no jet aircraft overhead.

Eight years earlier, I had been in New York City during the 1993 World Trade Center bombing. I remembered the sadness I felt and the tremendous challenges of getting home that night. I could not begin to imagine what it was like this time for those who made it home, or the anguish of those who didn't know whether their loved ones were safe — or already knew they were not. We were no longer Southerners, Northerners, Midwesterners or West Coasters — we were all Americans. In the face of unimaginable tragedy, we came together, reminding ourselves that resilience and unity often emerge during our most difficult moments.

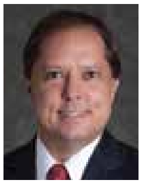
The silence in the skies also signaled a turning point for banking. At the time, most checks were still paper documents transported between Federal Reserve Banks by airplane. When commercial flights were grounded, paper checks could not move through the banking system. The disruption highlighted the need for a faster, more resilient approach to payments.

The passage of Check 21, which allowed paper checks to be converted into electronic images for transmission, accelerated the banking industry's transition from paper-based processing to today's digital payment environment. Looking back, the absence of airplanes that day became a powerful reminder that operational resilience is just as important as financial resilience.

Every generation has a defining moment that changes how it sees the world. For mine, it will always be the morning of September 11, 2001.


**"Looking back, it's remarkable how quickly the national attitude changed toward the need for banks to understand what their customers were doing."**

## Carl G. Pry, CRCM, CRP



9/11 was this generation's JFK moment. Everyone can tell you exactly where they were when they learned about the attacks, just like I remember my parents telling me they remembered where they were when they learned that President Kennedy had been shot. On September 11, I was working on a large project in Houston, and we were in a high-rise office building watching the towers fall on television. The order soon came to evacuate all tall buildings nationwide, and we gathered our belongings and started the trek down forty-odd flights of stairs. I remember thinking my legs felt like Jello just going down. What must it have been like going up 70 or more flights with more than 100 pounds of equipment strapped to your back? Especially not knowing what you would find when you got there — or whether you'd come back down at all? I gained a whole new level of respect for the first responders that day, and I support the Tunnel to Towers Foundation to this day as a result.

But those events fundamentally changed the banking industry in many ways. One that stands out to me is how it made the concept of Know Your Customer (KYC), not only acceptable, but essential. In 1998, the banking agencies proposed a KYC regulation that would have required a bank to "determine the identity of its customers" and "determine the normal and expected transactions of its customers," among other things. The proposal was greeted with a tidal wave of negative comments: *It's not our business to invade our customers' privacy! That's going way too far, and how would we do that anyway?* In large part due to that resistance, the proposal was withdrawn.

After 9/11, it was reported that some of the terrorists had used the U.S. banking system to deposit funds from wire transfers, cash and travelers checks from overseas into accounts at U.S. banks to finance training at flight schools to learn how to pilot large airliners, as well as for other purposes. What if there were processes in place that could have detected that? Could that have stopped the attacks before they happened? We'll never know.

Almost overnight, however, the concept of KYC, relabeled CIP (Customer Identification Program) and CDD (Customer Due Diligence), became integral pieces of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) and embedded into banks' Bank Secrecy Act (BSA) compliance responsibilities.

Looking back, it's remarkable how quickly the national attitude changed toward the need for banks to understand what their customers were doing. Just 45 days after the attacks, Congress passed the USA PATRIOT Act, reflecting that dramatic shift and significantly expanding banks' customer identification and anti-money laundering responsibilities. Even if we'd had a stronger KYC regulation back then, we might not have been able to detect what the terrorists were doing and stop their horrible plan, but with these requirements in place, the hope is we'll be able to do so in the future.

## Bonita Jones

On September 11, 2001, I was with the Federal Reserve Bank of San Francisco. That morning I was working from home, when I received a call from Greg Imm, who was already at the office. Along with other members of the management team, we immediately began contacting our internal and external staff, to advise them not to come into the office, share safety information and help calm fears as events unfolded. Looking back, it was incredible teamwork under fire.

Like many Americans, I watched the attacks with shock and sadness. Professionally, however, I experienced another realization that would shape the rest of my career. The Federal Reserve had always represented stability and security to me. As news reports emerged, it became clear that the Federal Reserve Board and Reserve Banks themselves could be viewed as priority targets by those seeking to inflict harm on the United States.

That realization changed the way many of us thought about risk.

In the days and weeks that followed, contingency planning became an immediate priority. While we had already communication procedures in place, September 11 highlighted the need for far more comprehensive emergency planning, business continuity programs and coordinated response strategies. What had once been viewed as prudent preparation suddenly became mission critical.

The attacks also accelerated greater collaboration among financial regulators, law enforcement agencies and financial institutions. New protocols, heightened security measures and expanded information-sharing efforts quickly became part of the operating environment. The banking industry recognized that maintaining a safe and resilient financial system was inseparable from protecting the nation itself.

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Perhaps the most notable change for me was the growing significance of BSA and Anti-Money Laundering Act (BSA/AML) efforts. Before September 11, many regulators and bankers viewed BSA/AML as a specialized area. Afterward, it became clear that every banker and regulator needed to understand how financial systems could be exploited to support terrorism and other criminal activity.

The attacks permanently changed the trajectory of banking regulation and supervision. They also changed my perspective as a regulator. We were no longer focused solely on protecting financial institutions and the financial system. We were part of a broader effort to help protect the country. For those of us who knew people affected by the attacks, that responsibility became deeply personal.

### The rise of financial crimes compliance

The operational and regulatory changes that followed September 11 transformed the banking industry. But for many professionals, the impact went much deeper. Entire career paths emerged as financial institutions took on an expanded role in protecting the nation's financial system from terrorist financing, money laundering and other illicit activity.

For many bankers and regulators, compliance was no longer simply about meeting regulatory requirements. It became a mission.

The reflections that follow illustrate how September 11 reshaped not only the industry, but also the careers, responsibilities and sense of purpose of those who dedicated themselves to protecting it.

## Eric Wischman

I was fresh out of college, having just landed my first job in the Internal Audit department at M&T Bank. On the morning of September 11, 2001, I boarded a small plane from Buffalo, New York, to Altoona, Pennsylvania, to perform audit work. During the descent into Altoona, I remember thinking that the challenging winds in the valley would probably be the most interesting part of my day.

When we heard about the first plane, we continued working for a few minutes, not fully realizing what had happened. As more information came in, everything froze. We wheeled a television into a conference room and watched the attacks unfold. Soon afterward, we were sent back to our hotel, where I sat on the edge of the bed for hours. When the towers fell, I felt a unique blend of overwhelming shock, sadness and anger.

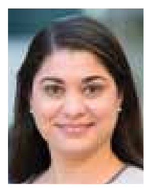
**"We were no longer focused solely on protecting financial institutions and the financial system. We were part of a broader effort to help protect the country."**

We didn't learn until later that Flight 93 had crashed only about 50 miles from where we were. Because early reports simply referred to a plane crash in western Pennsylvania, many people who knew I had flown to Altoona that morning feared I might have been involved. The following day, I learned that a member of my graduating class at St. Bonaventure University, Amy O'Doherty, who worked for Cantor Fitzgerald, had been killed.

Just weeks later, President Bush signed the USA PATRIOT Act, setting in motion a chain of events that changed the course of my career forever. In November 2003, I became one of M&T Bank's first BSA/AML Enhanced Due Diligence investigators. Almost immediately, I found myself working with law enforcement on investigations involving individuals connected to the "Lackawanna Six." The pride I felt in playing even a small role in those efforts ultimately led me to become M&T Bank's BSA/AML officer and build a career in risk management. Although, I wish I could have found this work another way.

I encourage everyone to honor those we lost by working hard, doing the right thing and standing up for one another every step of the way.

## Sepideh Rowland, CAFP, CCBCO



On September 11, 2001, I was in the early stages of my career, serving as chief compliance officer at a community bank in Michigan. That morning, our leadership team was trying unsuccessfully to reach colleagues in New York. When we heard about the first plane, everyone gathered around the one television in the office. Watching the events unfold in real time was surreal and unforgettable.

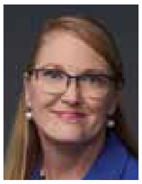
The attacks sharpened my focus on the role financial institutions play in detecting and disrupting illicit activity. As a chief compliance officer, the experience strengthened my sense of purpose and deepened my commitment to fighting financial crime. It also reinforced the importance of strong controls, vigilance and collaboration.

Perhaps the most significant change over the past 25 years has been the expansion of information sharing — both across the financial industry and with law enforcement. The USA PATRIOT Act fundamentally reshaped the regulatory landscape, driving greater transparency, accountability and coordination in the fight against financial crime.

Looking back, September 11 intensified my passion for investigations and strengthened my desire to work closely with law enforcement to make a meaningful impact. One lesson has remained constant: risk never stands still. Criminal networks continually adapt, and if we are not learning and evolving just as quickly, we fall behind.

Financial crimes compliance was not always a central focus for financial institutions. Over the past quarter century, we have learned what it means to set the tone at the top and build a true culture of compliance. I hope the next generation understands the importance of that responsibility — and never has to experience a tragedy like September 11 to appreciate why it matters.

## Maureen Carollo, CRCM, CAMS



When the attacks of September 11 occurred, I was home from my job at a community bank in Oklahoma City. The day was especially unforgettable because it was my birthday — and my mother's — and I had family in New York, including an aunt working in Manhattan that morning.

For me, the attacks immediately brought back memories of the bombing of the Murrah Federal Building in Oklahoma City in 1995. That tragedy gripped our state; nearly everyone knew someone who had been affected. Until then, it had been the deadliest act of terrorism on U.S. soil. But 9/11 changed that reality and, in the years that followed, reshaped our country, the world and banking.

Before 9/11, Bank Secrecy Act compliance did not carry the urgency it does today. Customer identification was often viewed primarily as protection against account abuse. Almost overnight, terms like OFAC (Office of Foreign Assets Control), FinCEN (Financial Crimes Enforcement Network) and Treasury (U.S. Treasury Department) became part of our daily vocabulary, along with a much greater emphasis on Currency Transaction Reports (CTRs) and Suspicious Activity Reports (SARs).

The USA PATRIOT Act changed how many of us viewed our roles in banking and the impact our work could have. As technology advanced, the new compliance demands became possible — and, for some of us, a calling. I was one of them. I moved into full-time compliance and soon became a BSA officer, a role that would define much of my career.

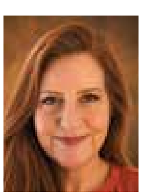
Over time, I came to see myself as a protector of the banking system, with a deep responsibility to help prevent my institution and our country, from being used by terrorists and other criminals. Apparently, I brought more than a little of that passion home, because both of my children ultimately chose careers in law enforcement, one at the federal level.

That experience deepened my passion even further. I earned my CAMS certification, later joined the *ABA Risk and Compliance* Editorial Advisory Board and began writing about Bank Secrecy Act compliance, receiving an APEX Award for my article "SARs After Spitzer." I know many in this field share that same sense of mission, and I hope the work continues to inspire all of us to serve, protect and remain vigilant.

### Finding purpose

For many banking professionals, September 11 deepened their commitment to the work they were already doing. For others, it completely redirected the course of their careers. Mine was one of them.

## Laine Crosby



On September 11, 2001, my life looked nothing like the career I would eventually build. I had left a position as head of new media marketing at a national cable network and started my own marketing firm, focused on launching and repositioning brands, companies and services. It was an exciting leap of faith. The week before, I had hired 10 employees, and we had momentum, clients and every reason to believe we were building something special.

**"One lesson has remained constant: risk never stands still. Criminal networks continually adapt, and if we are not learning and evolving just as quickly, we fall behind."**

That morning, I was in the process of signing a new client — a C-suite executive I had worked with previously who had launched a startup backed by investors from the airline industry. It should have marked the beginning of an exciting new chapter.

Instead, within hours, it was over.

In the aftermath of 9/11, companies turned inward. Marketing budgets disappeared overnight. Projects were canceled, hiring stopped and entire industries froze. The firm I had just built no longer had a path forward.

As the economy shifted and mortgage rates dropped in an effort to stimulate recovery, I made a decision that changed the course of my career. I returned to my banking roots, drawing on the training I had received years earlier at Wachovia, earning my mortgage lending certification and beginning a new chapter as a mortgage broker. My husband, who worked in risk management, experienced the crisis from a different perspective. His responsibilities grew in the years that followed, eventually leading to a CFO position at a financial services firm and our family relocating from Atlanta to the Washington, D.C. area.

Looking back, I realize I never really left marketing behind. I still rely on the same skills every day — strategy, positioning, communication and understanding how to reach an audience. The difference is purpose. Today, through my work with the American Bankers Association, I have the opportunity to support professionals working on the front lines of risk, compliance and financial crimes, helping communicate ideas that strengthen the banking industry and, ultimately, help protect the financial system.

What felt like a collapse in the moment became the starting point for a career that carries far more purpose than I could have imagined at the time. ■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The following members of the *ABA Risk and Compliance* Editorial Advisory Board generously shared their personal reflections and experiences for this 25th anniversary feature.

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