

# The Modern Touch

An Interview with Leslie E. Bains,  
Vice Chairman, Modern Bank, N.A.



Leslie E. Bains

**EDITORS' NOTE** A graduate of the American University in Washington, DC, Leslie Bains held executive posts with JPMorgan Chase and Citibank before moving to Republic National Bank, where she was Executive Vice President responsible for private banking and investments. She was then appointed Senior Executive Vice President of HSBC North America, becoming a member of the senior management committee, and the highest ranking woman. In 2003, Bains became President of AFS Intercultural Programs, one of the world's largest nonprofit, community-based volunteer organizations dedicated to building a more just and peaceful world through intercultural exchange. In 2005, she joined Raycliff Capital, a private equity firm, as a Partner and then on January 1, 2006, was appointed to her current position. Bains has served on the boards of numerous universities and nonprofit organizations, including Chair of American University's Board of Trustees, as well as currently serving as Chair of Duke University Medicine, Vice Chair of Duke's Institute of Public Policy, Roundabout Theater and the Commonfund.

**COMPANY BRIEF** Modern Bank was founded in 2006 by a group of investors and a management team whose vision was to create a boutique private bank focused solely on private banking and designed to meet the needs of a select group of high-net-worth individuals. Modern Bank's seasoned team of private bankers, enriched by decades of experience at major financial

*institutions, is dedicated to meeting the individual financial needs of each client. They design customized solutions and offer investment alternatives that match each client's financial priorities and personal risk-reward profile.*

**How would you describe brand awareness that exists today for Modern Bank?**

No one can ever be satisfied and I'm always striving for more. But having said that, I think we've made remarkable progress in the last nine months. We started something completely from scratch, yet we have close to half of our overall three-year goal already in place, which is exciting and very gratifying. Our business is built on referrals and every day we're getting more and more of them, which means that we are filling a void in the marketplace.

**What did you see happening in the marketplace that made you think it was the right time to launch a new bank?**

First, it was the continued consolidation in the banking industry. Almost weekly you read about one major bank acquiring another major bank. Often, consolidation in the financial services sector leads to service interruptions. But it also increases opportunities for organizations like ours to penetrate the market and provide better service. And our clients are validating that. Secondly, wealth management for high-net-worth clients is all that we do. So we are not going to be distracted next week by pushing the product of the month, or launching a credit card, or starting investment banking. We can honestly tell clients that we're completely devoted to them.

**Will aiming at only the very wealthiest clients provide Modern Bank with enough growth opportunities?**

Private banking is the fastest growing market segment. What propelled us to start this company in the first place is that the amount of wealth being created today is enormous. In the New York area alone, there are 18,000 clients that meet our target profile, which are individuals with liquidity in excess of \$5 million.

**Is the tristate area where you will be focusing exclusively?**

We're focusing on this area first. But because a number of our investors are located in California, we just opened an office in Beverly Hills and will be expanding to San Francisco later this year. Then we will look to Chicago.

**Building a brand often comes down**

**to people. Today, hedge funds and private equity firms attract so much young talent. As a new company, have you been happy with the way you've been able to attract the right people?**

We've been able to attract top talent for a few reasons. The best private bankers are gratified that this is all that we're going to do. We are also uncluttered with bureaucracy, so they can nimbly serve their clients, getting things done overnight when needed. And finally, we have given all of our top people equity in the business. So we're all in this as partners together.

**What kind of an impact is technology having on your business?**

For us, being a small organization means that we are not tied to any legacy systems. So when better technology becomes available, we can upgrade right away. But more importantly, advancements in technology mean that we don't need to maintain branches, which are becoming obsolete, especially in our market. We can courier cash anywhere in the country, implement remote deposit capture for clients who transact a lot letting clients process their own checks through the Internet. That means we really can serve clients who live anywhere in the world.

**You have always been involved in encouraging women in business. Are women today excited about entering the banking field? And are the opportunities there?**

It's interesting. I look back and can give the same speeches today that I gave in 1984, when I was President of the National Association of Bank Women, and in the early '90s, when I was President of other organizations. I encouraged women then to go into financial services and continue to do so because we're swelling the management ranks and we're so close to breaking through the glass ceiling. Over the past 25 years, women have really been the backbone of the private banking industry. Soon, we'll become leaders all the way up to the top of the pyramid. That's beginning to happen now.

**You've always been active in community service. How important is it for leaders today to focus on those types of initiatives?**

I think it's absolutely essential. And in some ways it's selfish, because my work with nonprofit organizations has taught me as much about leadership as what I've done in the private sector. All of us have an obligation to mentor, lead by example, and give back to the community. ●