



The Worshipful Company of International Bankers

A short history of its formation

by

John Thirlwell



Foreword

by Roger Gifford

WCIB History

It is almost ten years since our Company was founded. During this period we have experienced tremendous growth in membership and we continue to see wide interest in what we do.

The role of the International Bankers has grown commensurately. Fellowship and charity are the two cornerstones of the Company and together with our Principles for Good Business Conduct, give shape to our future.

A tenth birthday gives us the opportunity to assess where we are now as a Company and where we hope to be after the next ten years. As always, the past informs the future and our history contained here provides that background from which to spring forward.

I commend it to you.

A handwritten signature in black ink that reads "Roger Gifford". The signature is stylized and cursive, with the first name "Roger" written in a larger, more prominent font than the last name "Gifford".

Roger Gifford
Master

A short history of its formation

by John Thirlwell

Introduction

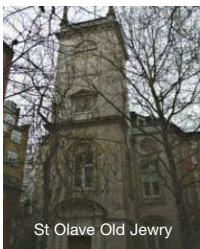
When he wrote his review of the Guild of International Bankers' Inaugural Dinner at the Mansion House in July 2001, Christopher Fildes quoted Joseph Addison, some three hundred years before, praising the internationalism of the City of London, 'a kind of Emporium for the whole Earth', and asked the simple question of the Guild: why had it taken them so long?

In attempting to answer that question in this short account of the Guild's genesis, I have been led through many centuries and many countries, back to Knights Templar and Jews, and to those early Italian bankers who came to London in the thirteenth century and continued to ply their trades as merchants and bankers there until well into the fifteenth. They had followed the great trade routes, from east to west and, importantly for our story, from the Mediterranean in the south to Flanders and England in the north. English wool and cloth made its way south and silks, brocades, leather, jewels, armour and spices made their way north. And where the merchants settled, so some became bankers.

Their trade was international, as was their banking, so that there have been international bankers in the City of London for over 700 years.

Bankers and the City

Jews and Templars



St Olave Old Jewry

In the beginning, of course, were the Jews, who were the principal money-lenders, exempt from the prohibition on usury. They were a significant enough presence in the City to found the Great Synagogue in Old Jewry in 1272. Alongside them, from the twelfth century, the Templars, the first truly international bankers, established themselves in the City of London. With their network of branches across Europe and the eastern Mediterranean, they made loans, took mortgages, held documents and precious goods and financed not only crusades and crusaders but kings, nobles and others who had more secular needs.²

The Lombards

The Templars were, of course, involved with those other players of international markets, the Lombard merchants and merchant-bankers, who had arrived in London by the thirteenth century and settled with their Italian compatriots in the area around what we now know as Lombard Street. 'As the Lombards engrossed the trade of every Kingdom in which they settled, they became masters of its cash. Money . . . became an object of commerce in itself.'³ With the expulsion of the Jews from England in 1290 (arguably as much because lending to the king had rendered them too drained to be of economic use, as because of

anti-Semitism) the Lombards - a word which encompassed Italians from the great trading cities of Genoa, Florence, Lucca, Siena and Venice - had a virtually open field.

By the fourteenth century, the main essentials of domestic and international trade finance, bills of exchange and bills of lading, were well established. Exchanging and dealing in a multitude of foreign currencies (of varying quality) were commonplace, as were the profits and pitfalls of banking. The Lombards were tempted, as have been their successors over the years, to make their capital work further through increased leverage. Fatal if, to establish favours, they became over-extended to kings, states and popes who had the power and habit to renege on their obligations. The Peruzzi, Acciaiuoli and Bardi banks from Florence were all made bankrupt by the serial defaults of Edward III.



King Edward III

Before that, the collapse of the Scali bank in Florence in 1326, with liabilities of a staggering 400,000 florins (in excess of €400 million in today's money*), had caused severe problems in London, where the bank had a branch. In what was one of the earliest and severest bank collapses in the history of English banking, insolvency procedures remarkably similar to today's (and cross-border at that, with international claims in a variety of currencies) swung into action. Those early bankers also had to contend with risks, which we should now term as operational: war; the Black Death, plague and similar epidemics; famine; insurrection; expropriation of assets by capricious rulers; and even interdiction by the Pope of whole cities and their citizens, as happened to Florence in 1376.⁵



Medici coat of arms

As a result of these recurring difficulties the original Lombard bankers left London, to be replaced by other Italian bankers. But as the fifteenth century progressed and state defaults continued to bite, their names gradually faded from the records until they had disappeared altogether by 1499, the Medici being among the last when they closed their London branch in 1480.



Giovanni de Medici
1360-1429

Bankers and guilds in the City

Lombard banking guilds

Despite the fact that in Italy the bankers had formed guilds, the *Arti del Cambio*, from the twelfth century, the Lombards did not form one in London. In Italy, as elsewhere, the general view was that banking, allied as it was to money-lending and pawnbroking, was a rather disreputable trade.⁶ The bankers' guilds were nevertheless often one of the *arti maggiori* - or as we might term them, one of the Great Guilds - of the city or commune. In Italy, as in London, their activities were wide-ranging: exchanging currencies (including running correspondent accounts in currencies), trading in gold and other precious metals and jewels, dealing in bills of exchange, providing guarantees and offering credit on terms which did not offend the laws on usury.⁷ The money-changers were the exchange specialists and financial intermediaries of medieval Europe and the great trade fairs held throughout Europe were

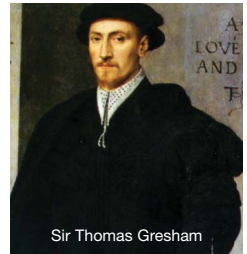
their clearing houses.

Guilds in the City

In the City of London, trade and craft associations were being formed in the twelfth century, based on the parish in which a particular trade was established. From the end of the fourteenth century, these associations began to be granted Royal Charters as companies. Their functions combined those of a modern trade association, consumer association, trade union and friendly society. We do not know whether the Lombards ever did petition to form a guild. However, it is likely that, even before the order of 20 February 1427 which banned 'aliens' from becoming Freeman⁸, they would have been rebuffed by the City fathers, as practitioners of an activity which was not considered one of the traditional crafts and trades of the City. So no guild of bankers was formed and, as we have seen, it is probable that the Lombards left the City during the fifteenth century to be succeeded ultimately as bankers by the goldsmiths in the seventeenth.

Banking in the Tudor City

But who were the bankers in the period between? We know that Tudor kings and queens turned for their loans to the rising German banks, via the money exchanges of Antwerp and elsewhere, using agents such as Sir Stephen Vaughan and Sir Thomas Gresham.⁹ We also know that the Hanseatic League of north German cities had a privileged position in the City, establishing what was known as the Steelyard - where Cannon Street Station now stands - from the beginning of the fourteenth century.¹⁰ But there is no evidence of German bankers operating in London.



The short answer is that in England in the Tudor period there were probably no bankers, as such. Banking functions were undertaken by a number of different people. Brokers put together those who wished to borrow and those who wished to lend, taking a cut in between or sometimes acting as much vilified pawnbrokers. English merchants, who by now were international traders in their own right, used bills of exchange, which had been common since the thirteenth century, to enable commercial credit to flow. This system was given an additional boost by the legalisation of 'usury' by Henry VIII in 1545, which enabled interest to be paid on loans, bills to be discounted and an official interest rate to be inserted into contracts.¹¹

The nearest to bankers were the scriveners who, historically, had drawn up wills, charters and legal documents and specialised in conveyancing and mortgage work - and had established the Scriveners' Company in the fourteenth century. They began to act as mortgage brokers, seeking lenders for property purchasers and in time came to be entrusted with collecting rents and holding cash. From this it was a short step to running what were effectively bank accounts on which customers could 'draw notes', analogous to being able to draw cheques today. Like the brokers, however, the



Scriveners' coat of arms

reputation of the 'money-scriveners' as they were known, was poor. Usury laws of the seventeenth, and even eighteenth, centuries singled them out for special mention and in the public prints they were called 'Gulgropers'.¹² Their influence declined and by the mid-eighteenth century they had ceased to be involved in banking.

Goldsmith-bankers

Which brings us to the goldsmiths. We know that alien goldsmiths of the early fifteenth century congregated in the area around Lombard Street, where there had long been an Italian community and, in all probability, a small outpost of English goldsmiths.¹³ And as the Italians left Lombard Street, so the English goldsmiths moved in, some of whom became involved in banking as a result of the political upheavals of the time. Many merchants had entrusted their spare cash to the Royal Mint for safe-keeping, but when, in 1640, Charles I helped himself to £200,000 of private money deposited there, they began to turn to the goldsmiths. This trend increased from 1649, when Civil War broke out. Many of the apprentices, who were in part employed to guard the homes and wealth of their merchant masters, went off to join the Parliamentarians, often absconding with the wealth they were meant to be protecting, so more entrusted their cash and valuables to the goldsmiths. The goldsmiths began to pay interest on the deposits they held. The deposit receipts, which were effectively promissory notes payable to bearer, were freely circulated. In addition, the goldsmith-bankers discounted bills of exchange and Exchequer payment orders, bought and sold bullion and foreign currency and kept systematic accounts in special ledgers, the hallmarks, from medieval times, of banks and bankers. It was natural for them then to lend their surplus cash, having worked out that not all depositors would demand their money back at the same time.¹⁴



Goldsmiths' Hall

The names of some of these seventeenth century goldsmith-bankers, such as Child and Hoare,¹⁵ have survived whilst other banks, such as Coutts, can trace their origins back to the same era. Many set up shop in the same area as the original Lombard bankers and merchants, in Lombard Street. Some of the signs remain either in the Street itself or are associated with banks of today. Not that their activities were especially popular. In 1668, Sir Josiah Child, in his *New Discourse of Trade*, inveighed against 'the trade of banking which obstructs circulation, advanceth usury and renders it so easy that most men, as soon as they can make up a sum from £50 to £100 send it to the goldsmith'.

Banking and the Goldsmiths' Company

Nor were the traditional working craftsmen goldsmiths any happier. In 1624, feeling that their reputation was being tarnished, they petitioned the Court of the Goldsmiths' Company to establish a separate company because, although incorporated by Edward III as metal workers, a new kind of trade had grown up amongst them whose members were 'but changers of gold and silver, and hucksters and sellers of plate, jewels and other goldsmiths' wares'. Hucksters, no less! Similarly, in 1628, a State document identified two types of goldsmith, those 'about the Cittie exchange' and 'working goldsmiths'.¹⁶ But nothing came

of the attempt to form a separate company so the two groups evidently managed to co-exist in one way or another, at least within the Goldsmiths' Company.

There are signs, though, that the issue did not go away. In a speech in the House of Commons in 1745, one Member asked the question, 'What is it that we call a Banker? There is in the City a company or corporation called goldsmiths, and most of those called bankers are of that corporation; but so far as I know there is not a company or corporation called bankers, not has the business any definition or description either by common law or by statute. By custom we call a man a banker who has an open shop, with proper counters, servants and books for receiving other people's money, in order to keep it safe, and return it upon demand.'¹⁷ As good a definition as any, but still no guild.

In some ways that is not surprising. By 1709, there were 76 livery companies and that is the way it remained, with no new companies being formed until 1936, when the Master Mariners were granted livery status, followed by seven more over the next thirty years.

As a result, from the eighteenth century onwards, bankers who wished to be involved in the City and the livery movement joined one of the existing companies. In Alfred Beaven's book detailing all the Aldermen up until 1912, we can see that from 1689, twenty six of them were described as bankers.¹⁸ Sir Francis Child, who was elected Alderman in that year, was probably the first 'goldsmith' to describe his occupation as banker and indeed he and Sir Richard Hoare were members of the Goldsmiths' Company. However, as the years go by, fewer are members of the Goldsmiths' (ten in all and only one in the nineteenth century), the remainder being spread among other companies.

A twentieth-century attempt to form a bankers' company

In May 1979, Tom Macmillan (Deputy Group Chief Executive of National Westminster Bank), together with Leslie Priestley (Secretary-General), Oliver Sunderland and Martin Karmel, all from the Committee of London Clearing Bankers (CLCB), went to see John Griggs, the City Chamberlain, to discuss the possibility of forming a livery company. The delegation told the Chamberlain that the Institute of Bankers, whom they had approached, was not interested in sponsoring a company, but that three of the four major clearing banks supported the idea.

The Chamberlain advised them that Sir Robert Bellinger and Sir Kenneth Cork, conscious of a decline in the livery movement and a feeling that the ancient crafts and trades did not represent the modern City, had urged the widening of the Livery to professional bodies in 1974.¹⁹ The bankers had been specifically invited but had turned down the offer, apparently 'because of a clash of personalities'. However, Griggs indicated that the Aldermen would be only too pleased to support a company from those who 'really represent the financial City'.

Despite this encouragement, Tom Macmillan had to write to the Chamberlain the following month to let him know that the matter had been discussed by the CLCB Chairmen's Committee which had unanimously come to the conclusion that 'at least for the present it was inappropriate for the CLCB to sponsor the formation of a banking livery company'.

Shortly before his retirement as Chamberlain in 1983, Griggs made one final attempt on his

own behalf and wrote to Sir Robin Leigh-Pemberton, congratulating him on becoming Governor of the Bank of England. He recalled Sir Robin's Freedom ceremony in 1980 and reminded him that a few years before, several professional livery companies had been created but that an approach to the bankers had met with little success.²⁰ Griggs suggested that Sir Robin might like to make a fresh approach to the City fraternity. Later that month Sir Robin replied, advising the Chamberlain to contact Peter Cooke, Head of Banking Supervision, and wishing him well in his retirement. At that point the correspondence unfortunately ceases.

But, before we come to the successful creation of the Guild, two other key players in the story need to be introduced, the Lombard Association and the Overseas Bankers Club.

Lombard Association

After numerous attempts to arouse interest among London banks and kindred firms during the 1920's, principally led by O.A. Jackson of Continental Illinois Trust, the Lombard Association held an inaugural dinner at the Cannon Street Hotel in October 1930 at which 18 Founder Members were present. Essentially a dining club, the Association was founded 'to promote social relationship amongst members and their friends' and a committee was elected to draw up appropriate rules, comprising F.A. Crump of National Provincial Bank, who was Chairman until 1935, C. Henderson, of Kleinwort Sons & Co, as Deputy Chairman, and O.A. Jackson as Secretary.

The early membership was largely drawn from those involved with the discount market and similar activities. Even after World War II, when brokers and others joined, it was primarily a meeting place for those in the money and foreign exchange markets. The 'Big Bang' in 1987 brought an end to the discount market and a significant change in the membership of the Association. London's increasing importance as a major international financial centre led to the arrival of foreign bankers who found the Association's dinners an important and useful place to meet. It had been agreed at the outset that meetings would be held on the second Wednesday in each month from October to April (excluding December) and this remained the general pattern throughout the Association's existence. The dinners attracted a glittering array of speakers: Governors of the Bank of England and Heads of Banking Supervision, Heads of the CBI (such as Adair Turner) and TUC (such as Norman Willis and John Monks), as well as a range of leading politicians and industrialists.²¹ They were extremely popular. Up to the early 1990's the monthly dinners were often attended by 200 people and at times, especially if the Governor was speaking, up to 400.

The Bank of England, with its close involvement in the discount and then money markets, was always a strong supporter of the Association. Brian Quinn was elected Chairman for 1986 and Michael Foot in 1993, in each case the year he became Head of Banking Supervision. The Fiftieth Anniversary Dinner in 1980 at the Great Eastern Hotel was addressed by the Governor of the Bank, Gordon Richardson, and the Sixtieth Anniversary Dinner held in Merchant Taylors' Hall was addressed by Lord Alexander of Weedon, Chairman of National Westminster Bank.

Over the years the Association elected four Honorary Members: the founding Chairman, E.A. Crump (1935), the founding Secretary, O.A. Jackson (1950), Benjamin B. Boreham (1963)²² and Sir Jeremy Morse (1989)²³.

The Lombard Prize

The lasting legacy of the Association is the Lombard Prize. This was inaugurated in the 1990's by Alan Moore,²⁴ when he was Chairman of the Association, and given by the Association to the City University (now the Sir John Cass Business School) to be awarded to the best candidate in finance on the evening MBA programme. When the Lombard Association merged with the Bankers Club in 1999, it was on the understanding that the Prize would be continued, to preserve the identity of the Lombard Association; and similarly, when the Club was dissolved, the hope was expressed that the Prize would be continued. Apart from a brief gap in the early 1990's, that hope has been fulfilled. In recent years it was awarded on the day of the K.C. Wu lecture.²⁵ After the last K.C. Wu lecture, in 2006, it has been awarded at the Company's summer function and is now known as the Worshipful Company of International Bankers Lombard Prize, the winner receiving a silver salver and a cheque.

Overseas Bankers Club

The Overseas Bankers Club was founded in March 1948, so that the managers and representatives of overseas banks in London could meet each other and the correspondent banking managers of the main British banks. The Club's aim was 'To provide facilities for social contact between Directors and Executives engaged in Overseas Banking and to entertain Members' Guests.' Its first President was Vincent Alpe Grantham, Chairman of Chartered Bank, and its foundation was a sign of the re-opening of the London banking market after the War.

The Club's first home was a basement room in Pimm's Red House, a venerable institution at 94/96 Bishopsgate,²⁶ but two years later it moved to the Lombard Restaurant at 2, Lombard Court²⁷ and then, in 1957, to 11, Old Jewry. There were 271 Founding Members representing 74 British and overseas banks. Of those original Founding Members one, H.G. Witheridge MC of the Bank of Bermuda, survived to become one of the first members of the Guild of International Bankers.

As membership continued to increase, permanent premises were sought. In 1962, the Club bought and moved in to one of the most flamboyant buildings in the City, 7 Lothbury, with the aid of low interest loans from 118 banks which became shareholders in Overseas Bankers Club (Premises) Limited. 7 Lothbury had been built in 1866 by Lucas Brothers from designs by the eminent Victorian architect George Somers Clarke as the new Head Office of the General Credit & Discount Company. It has been described as 'a near perfect pastiche of a medieval Venetian palace',²⁸ in many respects an imitation of the Ca' d'Oro on the Grand Canal.²⁹ The relief on the front can be seen as 'an allegory which seems to represent credit facilitating transport, commerce and industry'.³⁰



7 Lothbury

It moved through various hands and in 1920 became the new office of the National Bank of Australasia. When it was bought by the Club, stockbrokers Laurie Milbank & Co occupied the upper floors as tenants but the Club took over the whole building in 1971.

In addition to the main restaurant and bar area, there were nine private rooms for hire by members for dining and other functions. These were especially valuable as few foreign banks had their own facilities. For most of its existence at Lothbury, opening hours remained 11.30 a.m. – 3.00 p.m. on weekdays and, at the Committee's discretion, 5.00 p.m. – 10.30 p.m., although by the late 1990's opening time had been put back an hour to 12.30 p.m. By 1990, the Club was serving 12,000 covers in the dining room and 9,500 in the private dining rooms each year.

The highlight of the Club's year was the Annual Banquet on the first Monday in February, which was held in Guildhall from 1958 and attended by the Lord Mayor. It became so popular that tickets were rationed and were occasionally known to trade above par!

The Club prospered through the 1970's and early 1980's. By 1985 total membership had risen to approximately 2,200 (550 of them resident abroad), representing 575 banks. The Club was an integral part of a world of banking, especially correspondent banking, where personal relationships and networking were fundamental. But it was not just the networking. In her book on the history of the Foreign Banks and Securities Houses Association³¹, Adrienne Gleeson cites one senior international banker who recalled how the Club was immensely popular 'for picking up gossip which had not yet made it into *Private Eye*'.³² It became the setting for a long-running series of articles in *Euromoney* by Christopher Fildes, who described the (apocryphal) experiences of a naïve American banker trying to establish an office in London. A far from naïve American banker of that period, Harold Winthrop Sands, learnt the value of the private dining facilities since, as he explained, there was always a group of 'regulars' at the bar, who would keep an eye on who was entertaining whom and happily comment afterwards to the hosts about their various guests.

The latter days of the Bankers Club and Lombard Association

By the end of the 1980's, however, pressures began to develop for both the Club and the Association. They included the changing nature of banking relationships; the decline of correspondent banking and a world of tested telexes; and the rise of computer driven trading, followed by the rise of the internet and e-mail. For the Lombard Association, matters had been exacerbated by 'Big Bang' in 1987, which had brought an end to the discount market. Despite an influx of new foreign banking members, attendances at the Association's dinners declined and at its AGM on 14 June 2000, it was decided to enter into discussions to merge the Association with the Bankers Club, many members being common to both. This was approved by the Bankers Club at an EGM on 6 September 2000, following which joint dinners were held at the City of London Club in Old Broad Street.

By that stage, however, the Bankers Club was also facing serious problems. Despite having over 1,000 members in the early 1990's, the Club was making losses and the Committee

decided to reverse the trend and try to expand membership by dropping the word 'Overseas' from their name so that, from October 1993, the Club became the Bankers Club. Its first President under its new guise was Eddie George³³, Governor of the Bank of England, who succeeded Rodney Galpin, Chairman of Standard Chartered Bank. The links between the Club and the Bank were both close and curious. Not only did the Club occupy premises immediately behind the Bank, but its fire escape ran through the Bank's staff Club in Tokenhouse Yard. Alan Moore, who became Chairman in November 1995, remembers the trouble he had in convincing the Bank's Estates Department of the existence of this right of way through their staff dining room.

A major reason for the Club's losses was that increasing numbers of foreign banks had their own facilities. In an attempt to reverse the trend of losses and put the dining facilities on a stable footing, outside caterers were brought in, but without success. In a further effort to broaden membership, professionals who dealt with banks were encouraged to become members. As a result, accountants such as Peter Chapman, a senior partner at Coopers & Lybrand, joined. He became Chairman of the House Committee in 1996, shortly after the outside caterers had been appointed. After three months he had seen no management accounts and called in one of his firm's corporate recovery partners. Within 48 hours, his fellow partner reported that the Club was insolvent. Alan Moore had come to the same conclusion when he walked in one afternoon and asked the lady behind the bar whether it had been a good day. It turned out that day had been busy with the sale of three tomato juices!

It was clear that the hospitality services had to be closed immediately and 7 Lothbury was put on the market. As a matter of courtesy, Alan Moore, Peter Chapman and David Clark³⁴ called on Eddie George to let him know the position. The Governor supported the decision to close the Club, putting the point in characteristic style, 'After all, we can't have the Bankers Club going bankrupt'.

The Club premises were sold in 1998 for £2m and the Club became a 'virtual' club, moving to an office in St Mary-at-Hill, where Alan Robb, the Secretary oversaw the winding-up of the Club's affairs. The premises had originally been owned by a special company, financed by loans of £796,000 at 2.5%, and a further loan of £340,000. Following the sale, the premises company wrote off the balance outstanding of £235,000 on the smaller loan and, after settling its liabilities, it was able to donate £50,000 to the Club to enable it to continue, leaving Alan Robb with the task of tracing the successor banks and records of the 118 banks which had made the original loan of £796,000. Many of the banks, particularly foreign ones, had merged or changed status, or even closed their London representation. Some had written off their loan and, with no representatives still working in London who had any memory of the original transaction, they had some trouble in reconciling such a windfall. But in the end all the loans were repaid.

The Bankers Club was finally dissolved on 31 March 2002, following an Extraordinary General Meeting held on 14 March 2002. With its dissolution, the Club dinners also came to an end.

Some legacies

The major legacy from the Bankers Club to the Guild, and now the Company, is the Annual Banquet, which continues to be held on the first Monday in February and remains a magnet for former members of the Club and for overseas bankers. For some years from the late 1990's, at the instigation of the Bank of England, the event was complemented the following morning by a presentation and seminar at the Bank on a topical issue, but these ceased in 2004.

When the Club was formally dissolved in March 2002, a resolution was passed to donate the remaining net assets of the Club to the Charitable Fund of the newly formed Guild of International Bankers. These amounted to cash of £57,280 and a significant amount of



Banquet in the Guildhall

silverware, plate and paintings, much of it presented by past Presidents, valued at £119,500. The silver and plate are now housed permanently in Central Volunteer Headquarters, Royal Artillery, at Woolwich and major items continue to be displayed at the Guildhall Banquet. The paintings are on long loan to the City of London Club in Old Broad Street.³⁵

Apart from the Banquet, there is another legacy from the Club

to the Guild, and one further hand-over. The legacy lies in the Guild's coat-of arms, or to be more heraldic and precise, in the crest to the Guild's arms, 'a Yacht composed of the hull of a caravel redunda Sable and a mast Or rigged as a Bermudan sloop sails Gules', which was modified from the small yacht with red sails which had topped the badge of the Overseas Bankers Club President.³⁶ The ship motif underlines the historical traditions of internationalism which are represented in the Company today.

Another important survival is that of the Golfing Society. Formed in March 1961 by its first captain, Robert Keller, London representative of Credit Suisse, the Golfing Society thrived, even when the use of the Club premises was in decline. Peter Chapman was Captain of the Society when the merger of Club and Guild took place, and continued as Captain of the newly formed Guild Golfing Society. The Club's Society became the core of the Guild's Society and brought with it its trophies and silverware, together with its surplus funds of some £1,800.

Interestingly, in an effort to revive the Club's fortunes, Alan Moore and Peter Chapman had gone to see the Clerk to the Chamberlain's Court to explore the idea of the Club's turning itself into a guild. They were warmly received, as so many were, and it was suggested that the long existence of the Club would be taken into account when determining their progress to livery status. However, although there was support in principle for the idea at the next

meeting of the Club's Committee, it was apparent that there was nobody available with the time and resource to pursue the idea.

Whilst this was happening, another group of international bankers was also considering the idea and, unlike the Bankers Club, they had the resources.

The Guild is formed

The FBSA

The Foreign Banks and Securities Houses Association (FBSA) had started life as the Foreign Banks & Affiliates Association in 1947 to represent the foreign banks in London which were not at that time able to be members of the British Bankers' Association. In 1995 it merged with the British Overseas & Commonwealth Banks Association, so that by then it represented practically all the foreign banks in London, apart from the Americans, who had their own Association, and who finally came into the fold in 2002. This was important because, as has been noted, the City authorities wanted to ensure that whichever group of bankers led the way in forming a guild, they should be truly representative of banking in the City.

First steps

The first steps towards the FBSA forming a Guild were taken by Ben Brittain, then General Manager of Bank Austria and a member, later Chairman, of the FBSA's Management Committee. He believed that foreign banks' interests were not being best served by the British Bankers' Association (BBA) and that foreign bankers wanted a stronger identity. Being British, he was aware of the status of the livery movement within the City and so began floating the idea of the FBSA's forming a guild. He approached Sir Jeremy Morse, a former colleague at the Bank of England, who had been President of the BBA from 1984 to 1991, but the BBA did not feel able to sponsor the initiative, which put the ball back in the court of the FBSA.

The 'aliens' problem

After his approach to the BBA, Ben Brittain wrote to Ian Roberton, the Clerk to the Chamberlain's Court, in April 1997 to establish the position of non-British subjects becoming members of livery companies. 'Aliens', as non-British subjects were called in City parlance, had been debarred from becoming Freemen and therefore members of a livery company from 1427. The Treaty of Maastricht (1992) established the right of citizens of the EU to vote and stand for elections to the European Parliament and for municipal elections in the country in which they were resident. Prompted by this, the City's Common Council passed an Act in 1996 which allowed EU citizens to become Freemen and therefore eligible to become Liverymen and vote for the Lord Mayor and Sheriffs. In 1997, however, when Ben Brittain wrote to the Clerk, people who were neither British nor EU citizens were still barred. They could only be, at best, Associates of a livery company.

In June 1997, following his correspondence with the Clerk, Ben Brittain wrote to Peter Bürger, Chairman of the FBSA and General Manager of Commerzbank, and to other

members of the FBSA's Management Committee, setting out why he believed the FBSA should be the driver of a move to establish a guild of foreign bankers, perhaps by turning the FBSA itself into a guild.

The FBSA's Management Committee was concerned about the work required to achieve livery status and also the requirements for charitable funds which they could see as a drain on members' own funds. However, at the Management Committee meeting of 24 July 1997, Angus MacLennan, General Manager, Den Danske Bank, who later became Chairman of the FBSA, proposed that the guild should be parallel to the FBSA and not detract from the FBSA's lobbying role. In any case, FBSA membership was corporate whereas guild membership would be individual. MacLennan's proposal was agreed and work began to establish what exactly would be required to become a guild.

At this point it was realised that the limitation of the Freedom of the City to EU citizens was a serious stumbling block and that unless all international bankers could become members of the guild, as Freemen, there was little point in pursuing the idea.

The 'aliens' problem is resolved

In 1998, in recognition of the merger of the FBSA with the British Overseas and Commonwealth Banks' Association, Art Brown, an Australian and General Manager of Commonwealth Bank of Australia's London office, succeeded Peter Bürger as Chairman of the FBSA. He was also keen on the idea of all nationalities being able to become Freemen and supported the efforts being undertaken to that end by Judith Mayhew, a New Zealand lawyer and Chair of the City's key Policy and Resources Committee.³⁷ Success came on 25 March 1999, when the Common Council passed a further Act which allowed citizens of all countries or, more precisely, 'aliens not of The Queen's allegiance', to become Freemen. The first such was Raymond Seitz, who had been US Ambassador to the Court of St James from 1991 to 1994, and who was sponsored as a Freeman by the Guild's Founding Master, Sir Paul Newall on 20 July 1999.

Judith Mayhew had also been a keen supporter of the moves to establish a guild of bankers, provided it was *international*. On 14 September 2000, in recognition of the full opening of the Freedom, all sixteen members of the FBSA Management Committee became Freemen in

a special joint ceremony conducted by the City Chamberlain, Peter Derrick, who himself became a member of the Guild's Founding Court. Judith Mayhew, together with Deputy Archie Galloway, sponsored all except K.C. Wu, who had the privilege of being sponsored by Sir Paul Newall and Alderman David Brewer.³⁸ K.C. Wu, then aged 77, was the last to be



Freedom of the City ceremony, 14 September 2000

made Free of the City and so was suitably toasted as the City's youngest Freeman.

Fast-track to livery

There are several stages in the process of becoming a livery company. The first, and most essential step, is to find an Alderman who will be prepared to sponsor the application and act as liaison between the guild and the Court of Aldermen, Chamberlain's Court and others to ensure that progress through the ranks of companies is smooth. Members of the FBSA had met Sir Paul Newall at City functions and as a banker, since he had been a member of firms which ultimately became part of Lehman Brothers. He was also a committed internationalist, a defining element of the proposed Guild. The theme of his mayoralty in 1993/4 was 'The International City – The World is our market'. Happily, he was not already sponsoring another Company and on 2 June 2000 the Court of Aldermen agreed that he could be the Guild's Sponsoring Alderman.

Another concern was that traditionally the process to become a full livery company was slow – a minimum of seven years from being established as a guild to becoming a company without livery, and a further seven years to become a full livery company.³⁹ Was it possible to accelerate the process and reach livery status sooner? This would, of course, be a major factor in attracting members, especially given the transient nature of most international bankers' careers in London. Sir Paul wrote to the City Archivist and discovered that an accelerated procedure had been introduced in 1974 as part of the move to encourage professional organisations to form companies. Although this had been formally terminated in 1981, a rider had been retained to the '7 + 7' rule, which allowed a fast-track 'in very special circumstances and limited to professional organisations'.⁴⁰

The first meeting

With this encouragement, the first meeting of those who might be interested in forming a livery company was held on 12 October 2000.⁴¹ It was called and chaired by Angus MacLennan, who had made it one of his priorities when he became Chairman of the FBSA. His energy and drive were instrumental in making it happen.

Criteria for company status

There is, in fact, no formal procedure for a professional institution or similar body to become recognised by the Court of Aldermen as a City guild, apart from holding a General Fund of £20,000. However, if it wishes to become a City company, it must petition the Court of Aldermen and it is recommended that it should seek the views of the Court of Aldermen at an early stage. This was successfully undertaken by Sir Paul Newall at a meeting of the General Purposes Committee of Aldermen on 16 May 2000.

The various criteria for a guild to become a Company were dealt with as follows:

- The Guild should have functioned satisfactorily for at least seven years.
The FBSA, effectively the sponsoring body, had been founded in 1947.
- The Trade or Craft should not be represented amongst existing Livery Companies.
It was acknowledged that from a historical context the goldsmiths may have provided banking services, but that was centuries ago and there was no specific livery company for bankers.

- The simple majority of members of the Company should be persons involved in the trade of the Company.
Members would largely be international bankers, but it was anticipated that the wider community of financial services professionals would be encouraged to join.
- The Company's meetings should be within the City of London.
As members would be principally drawn from organisations working within the City, meetings would logically take place there.
- The Company must consist of a body of persons fit and proper to uphold the name of a City Company, and demonstrate that it has City connections.
Membership criteria would ensure that members were sufficiently aware of the City establishment and its unique heritage. Since the Guild's membership would be drawn from organisations which had been established in the City for many years, this criterion would be more than adequately satisfied.
- The Company must have a total membership of not less than 100 persons.
With the backing of the FBSA, the Bankers Club and the various associations invited to the first meeting, this would not present a problem.
- The annual corporate income and invested charitable and educational funds must be adequate to enable the guild to foster its craft or industry effectively.
The requirements for Guild, and indeed Company without Livery status, would be substantially met by the endowment from the Bankers Club.
- The Guild should supply evidence that its efforts to foster its trade or craft will produce satisfactory results.
The FBSA, as sponsors, considered that the Guild would contribute to the city 'in a fitting manner'.

In his speech to his fellow Aldermen, Sir Paul concluded with this rousing peroration:

'this Guild – and, hopefully, the eventual livery company – would give a strong signal, in terms of PR, that uniquely, and unlike any other money centre, the City of London is the most user-friendly in the world, the true Headquarters of the international banking fraternity, and that is part of the secret of its continuing success. The Court of Aldermen could be seen as sending a very powerful message in this regard.'

The Committee gave its permission.

On the question of overlap, rumours abounded that when other organisations had spoken to the Chamberlain's Office about establishing a guild of bankers, they had been rebuffed with the comment that banking was already covered by the Goldsmiths' Company. The Goldsmiths themselves deny any responsibility for these statements and indeed, when the Guild was petitioning for Company without Livery status, the Goldsmiths were pleased to write in support, pointing out that their members were almost exclusively involved in the craft of being gold and silver smiths – as well as running the London Assay Office – as they had been for some centuries, so that there was no overlap - and probably never had been for about 300 years!

As regards financial requirements, these are laid down for each stage of progression from Guild to Company without livery status and finally full livery status.

They are:

Guild:	Charitable Fund - Nil;	General Fund - £20,000
City Company without Livery status:	Charitable Fund - £150,000;	General Fund - £20,000
Full Livery Company status:	Charitable Fund - £300,000;	General Fund - £50,000.

So far as the Guild was concerned, the initial requirements for both membership and finance were substantially answered by the members of the Bankers Club. Eddie Charlton, who had been on the Committee of the Bankers Club and was on the Committee of the FBSA, had been aware of the discussions within the Bankers Club about forming a guild. The Club would form a ready-made core of members at the outset and so it was agreed to offer members of the Club, for the first year, being 'grandfathered' in to the Guild for the price of their membership of the Club. The Club also agreed to transfer its residual funds to the Guild's charitable endowment. A further significant charitable endowment came to the Guild when K.C. Wu, shortly before he died, endowed a fund for an annual lecture. Following his death in 2002, subscriptions were sought for the fund which soon exceeded £100,000.

The work begins

The way was therefore clear. After the first meeting in October 2000, a working party and sub-groups were formed to address the various issues, with James Tree, Director and Secretary of the FBSA, responsible for the administrative arrangements, including liaison with the Chamberlain's Court officers and addressing the legal technicalities of the Guild's Ordinances and Charitable Trust Deed. The key word 'international' clearly demonstrated the Guild's intention to attract membership from those who were active in the international arena both from London and abroad. Just as importantly, it was agreed that membership should not be confined to bankers but should include those professionals who work extensively with banks and bankers. As a result the Company's letter-head reads, The Worshipful Company of International Bankers - *for financial services professionals*.

The sub-groups' main purposes were to establish a timetable for the formation of the Guild; to determine criteria for membership; to clarify the Guild's charitable and educational aims; and to set out how it would promote the furtherance of international banking and fellowship amongst the international banking community in the City. The Guild's Ordinances, which were formally adopted on 25 June 2001, stated the Guild's primary object:

To promote, support and encourage standards of excellence, integrity and honourable practice in the conduct of international banking and the financial services industry and to aid societies and other organisations connected to such industry.

Wherever possible, to promote and uphold the established traditions of the international banking and financial services industry.

The founding court and master

At the fourth meeting of the Working Group on 15 February 2001 – held as they all were over breakfast of smoked salmon and scrambled eggs at Den Danske Bank – it was agreed to form a Founding Court of a Master, three wardens and up to 25 freemen as Court Assistants. Sir Paul Newall was elected as Founding Master and the Founding Court was also chosen.⁴² Sir Paul pledged that he 'would do all he could to ensure the new Guild

progressed to higher status within the Corporation's structure in the shortest possible time' and set about gathering support from other Livery Companies. He also advised that it would be a good idea to produce a brochure setting out the new Guild's aims and purposes and the background to its inception, together with supporting letters from the Lord Mayor and the Governor of the Bank of England, now Sir Edward George, a proposal which was accepted and implemented.

The guild is formed

The Guild of International Bankers formally came into being on 1 May 2001 and 220 attended its inaugural Dinner, which was held on 26 July 2001 in Mansion House. Sir Edward toasted the Guild,



The inaugural dinner

Now let us give thanks
for international banks,
and the role that they play in the world;
although misunderstood, and sometimes abused,
they channel resources to where they're best used,
and the banner of growth is unfurled.

And let us tonight
take pride and delight
in the City's most novel creation,
that strengthens the unity
of our world financial community
surrounding Bank Underground station!⁴³



So please be upstanding, with wine glasses filled,
Let's toast the International Bankers' Guild.'

The Annual Guildhall Banquet on 4 February 2002 was jointly promoted by the Bankers Club and the Guild, the Club's last formal event. Though predominantly attended by foreign bankers, they were joined by a cross-section of their domestic colleagues and representatives of the wider financial services community. By this time, Guild membership numbered 469, drawn from 35 nationalities, of which over 100 were not bankers.

A company without livery

Then, on 4 May 2002, almost exactly a year after the Guild had come into being, Sir Paul presented a petition to the Court of Aldermen for progression to Company without Livery status, since the Guild 'most closely represents the core and essence of the City of London's business today'. The petition was granted on 18 June 2002.

A full livery company

Finally, on 6 July 2004, just over three years after the Guild had been founded, the Company petitioned for full livery status. By then, it could boast a membership of around 500 (over 100 as liverymen) drawn from over 40 nationalities - probably more than any other livery company - representing over 250 banks and financial institutions, with a charitable endowment in excess of £450,000 and general funds in excess of £50,000. The petition was granted on 21 September 2004, when the Guild of International Bankers became the 106th Livery Company in the City of London.



Presentation of full livery status

Principles for good business conduct

As has been shown above, the first objective spelt out in the Guild's Ordinances concerns 'standards of excellence, integrity and honourable practice' and is therefore something to which all members swear to adhere to when they are admitted and agree to 'well and truly observe and keep all By-laws, Rules and Ordinances'.

The idea of putting some flesh onto those bones in the shape of a written code of ethics came to some members of the Court after a speech by Christopher Fildes at a Guild dinner in Painters' Hall in 2003, when he had been reminiscing about standards of conduct in the City over the years, especially pertinent at the time, following the Enron and WorldCom scandals in 2001 and 2002.

A sub-group was formed to draft a code and the Principles (see Appendix 1) were approved by the Court on 27 September 2004. The idea of a code had been vigorously supported by Sir Edward George and it was fitting that they were published and circulated to all members after the 2005 Guildhall banquet, during his tenure as Master.

A change of name

When the Guild had petitioned for company without livery and then for livery status, it decided to retain its title as a Guild because it was felt that foreign members in particular would better recognise that term in this context. However, after a while, it was accepted that members and others were more aware of the idea of a company within the livery and so a further petition was made to change the name to the Worshipful Company of International Bankers. This was granted by the Court of Aldermen on 4 April 2007.

Incorporated by royal charter

Another reason for the change of name was connected with the idea of seeking a Royal Charter. This idea had been in the background since the Guild was formed, as a matter of prestige, but it came to the foreground when it was felt within the Court that it would be more appropriate for the Company to become incorporated, as the majority of livery companies are, as opposed to retaining the legal status of an unincorporated association. In practice, the only means for a livery company to become incorporated is to seek a Royal Charter, which confers corporate status.

A Royal charter is granted by the Privy Council and, in May 2005, contact was made with the Privy Council Office to establish the various requirements. The Engineers' Company, which had taken nearly ten years to work its way through the various formalities, gave invaluable advice and, on 22 September 2007, the petition to the Privy Council was granted, the Charter itself being sealed by The Queen on 10 December 2007.

Conclusion

And so, 700 years after it might have done, and only six years after it actually became a Guild, the Worshipful Company of International Bankers had achieved full livery status and obtained a Royal Charter. It is already, with over 500 members, one of the largest livery companies in the City and almost certainly the most international, its primary *raison d'être*. As its motto says: *A natione ad nationem* – from nation to nation. Long may it flourish to support probity in banking and trade and fellowship between nations.

Appendix 1

Principles for good business conduct

Introduction

The commercial activity of international financial service providers is built upon the contribution that they make to the promotion of global and economic welfare by aggregating financial resources, converting them into specific services and products and delivering them in accordance with the mandates of their clients, customers and counterparties. Both the corporate and personal interest of the providers in fulfilling their mandates on a profitable basis, and the public good that lies behind their role, can be substantially impaired, even frustrated, by dishonesty or by a lack of professional integrity, transparency and accountability. Accordingly, financial service firms and their officers and employees have both a collective and an individual commercial interest in the maintenance of high standards of behaviour and of their professional reputation.

These objectives cannot be attained, however, through mere compliance with rules and regulations. Whether the prevailing regulatory environment is prescriptive or principles-based, the interpretation and observance of such rules and regulations, if it is to be meaningful, and if it is to ensure confidence at all levels, must itself be underpinned by behaviour that is rooted in trust, honesty and integrity. The principles set out below are founded upon and reflect the essential business values which are necessary to meet these objectives and, at the same time, support the function of regulatory compliance.

The principles

1. To act honestly and fairly at all times when dealing with clients, customers and counterparties and to be a good steward of their interests, taking into account the nature of the business relationship with each of them, the nature of the service to be provided to them and the individual mandates given by them.
2. To act with integrity in fulfilling the responsibilities of your appointment and seek to avoid any acts or omissions or business practices which damage the reputation of your organisation or which are deceitful, oppressive or improper and to promote high standards of conduct throughout your organisation.
3. To observe applicable law, regulations and professional conduct standards when carrying out financial service activities and to interpret and apply them to the best of your ability according to principles rooted in trust, honesty and integrity.
4. When executing transactions or engaging in any form of market dealings, to observe the standards of market integrity, good practice and conduct required by or expected of participants in that market.
5. To manage fairly and effectively and to the best of your ability any relevant conflict of interest, including making any disclosure of its existence where disclosure is required by law or regulation or by your employing organisation.

These five Principles are consistent with international notions of good behaviour, but their interpretation and observance will be subject to applicable law or financial or other regulations or by the membership requirements of any relevant professional association or by any other applicable code of good conduct.

These Principles comprise the general standards of conduct that are expected of members of the Company in their business relations. Their observance carries a hallmark of trust and a commitment to fair and honest dealings with colleagues, clients, customers and counterparties and to good stewardship of customer interests, whether wholesale or retail. A material breach of the Principles would be incompatible with continuing membership of the Company.

Acknowledgements

In writing this history I have been helped by many people. Murray Craig, Clerk to the Chamberlain's Court, was kind enough to open the Court's files regarding attempts to form a bankers' guild. David Beasley, the Goldsmiths' Company librarian, and his assistant Eleni Bide, also provided invaluable information about the goldsmith-bankers.

One of the great pleasures of researching and writing this short history has been to meet many of the people who were involved in the Guild's formation, whilst memories are still fresh. My quest has also led me to seek out a number of specialists who have all contributed to the story. For their time and patience, I should like to thank: Ben Brittain, Joseph Byllam-Barnes, Peter Chapman, Eddie Charlton, David Clark, Professor David Graham, Simon Hills, Bernard Hutchins, Joseph King, Angus MacLennan, Alan Moore, Sir Paul Newall, Alan Robb, Harold Winthrop Sands, James Tree, John Treadwell, Dr. Christopher Tyerman and Mike Young. If I have omitted anybody, I hope they will forgive me.

Without the energy and persistence of Tim Woods, the Company's Clerk, and his assistant Kim Webster, the history would not have reached publication.

Finally, I should like to thank my fellow members of the Company's Historical Committee, Peter Barlow, Paul Borrett, Roger Harvey, David Massie, Frank Moxon and Lesley Secretan, together with our excellent Chairman, Martin Edwards. They have given me constant and invaluable guidance and support.

Given all this help, I can only say that any errors or omissions are entirely my own.

Notes

¹ Christopher Fildes, liveryman of the Company, was then financial columnist of *The Daily Telegraph* and *The Spectator*. He was subsequently a columnist at *The Evening Standard*.

Joseph Addison (1672-1719) was co-founder, with Richard Steele, of *The Spectator* in 1711. The quotation is from *The Spectator*, No. 69, 18 May 1711.

² For an excellent account of the Templars and their international banking network, see Malcolm Barber, *The new knighthood* (Cambridge: Canto, 1995), pp. 266-279.

³ JW Gilbart, *The History and Principles of Banking* (London: Longman, Rees, Orme, 1834).

⁴ I am indebted to Stefano Ambrosetti of BNL who has compared average wages and property prices in mid-fifteenth century Florence with today and deduced that 1 fiorino then is worth about €1000 now. Since the Scali bank went down in the early fourteenth century, we can reasonably assume the shortfall to have been in excess of €400 million.

⁵ Under the interdict all Florentine citizens were declared to be heretics, rulers were ordered to drive her merchants out of their kingdoms and men were free to rob any Florentine with impunity.

⁶ Significantly, in Italian, at that time, the word for pawnbrokers was 'lombardi'.

⁷ The church forbade lending money at interest. However, it was not uncommon for traders to increase prices of goods to reflect any credit they might offer. In other cases, there was often an unwritten assumption that some other benefit other than interest would be given by the borrower to the lender. In the case of bills, where there was a recognised system of exchange, the Church appeared to accept that because of the unpredictable variations in price on the exchange, it was reasonable for merchant-bankers to quote fluctuating prices. Their gain was 'uncertain' as opposed to charging interest, which was considered 'certain' and therefore usurious. For this and other aspects of Italian medieval banking, see Iris Origo's highly readable *Merchant of Prato* (London: Penguin Books, 1986), especially Chapter 5, 'Money'.

⁸ In City parlance an alien was somebody who was not English, whilst a foreigner was somebody who was not from London. Being unable to become a Freeman, meant that you were unable to join a Livery Company and so practise your craft or trade within the City. It is the reason why the Huguenot weavers established themselves in Spitalfields and French and German watchmakers and clockmakers in Clerkenwell and Soho. Exceptions were made for some outstanding foreign craftsmen or those with foreign patronage, but effectively the rule held until the 1990's.

⁹ Sir Stephen Vaughan (c.1502-1549), merchant and administrator, was a prominent Merchant Adventurer and servant of Henry VIII. He became Royal Agent from 1542 until 1546, including two years in Antwerp negotiating loans for the King.

Sir Thomas Gresham (c.1518-1579), mercer and merchant adventurer, was a highly successful negotiator – and perhaps more importantly renegotiator – of loans from German bankers such as the Fuggers to the Tudor monarchs. He founded the Royal Exchange and Gresham College, largely for his own self-promotion, and has been called the 'Father of English Banking'. This owes much to his being rediscovered by the Victorians on the rebuilding of the Royal Exchange, following a fire in 1838. They mythologised him as a public figure, a self-made man who rose to greatness, and even named a street in the City after him. Banker he was not. See the entries on both by Ian Blanchard in the *Oxford Dictionary of National Biography*.

¹⁰ The presence of the German hanse in London was governed initially by the Great Charter of 1303, which granted them self-government and their own jurisdiction, as well as privileges regarding taxes and duties. However, maltreatment of English merchants in their cities caused resentment in London, so that their request for their own Alderman in 1419 was refused and anti-Hanseatic feeling was running high by 1431. For further information see M.M. Postan, *Medieval trade and finance* (Cambridge: Cambridge University Press, 1973).

¹¹ The Act was repealed by Edward VI in 1552, but reinstated by Elizabeth I in 1571. At first the rate was 10%. In response to rising prices and strong demand for loans, it was reduced to 8% (1624), 6% (1651), 5% (1713). Eric Kerridge, *Trade and banking in early modern England* (Manchester: Manchester University Press, 1988).

¹² See Thomas Dekker, *English Villainies*, 1632.

¹³ T.F. Reddaway and Lorna E.M. Walker, *The early history of the Goldsmiths' Company 1327 – 1509*, (London: Edward Arnold, 1975), p. 122.

¹⁴ R.D. Richards, 'A pre-Bank of England English banker – Edward Backwell, Economic Journal (1928) pp 335-355; J.W. Gilbart, *The History and Principles of Banking* (London: Longman, Rees, Orme, 1834).

¹⁵ Sir Francis Child (1641/2 – 1713), founder of Child & Co, in common with other London bankers, opposed the formation of the Bank of England in 1694, and in 1696 was appointed a commissioner for taking subscriptions for the Land Bank, a potential rival to the Bank of England. In 1708 he was accused, with Sir Richard Hoare, of attempting to force a run on the Bank of England.

Sir Richard Hoare (1648-1719), was apprenticed to a goldsmith in 1665 and became a Freeman of the Goldsmith's Company in 1672. The following year, on the death of his 'master', he bought out the business from premises in Cheapside. However, he subcontracted out much of the plate and jewellery trade and, from the start, acted as a banker, taking in deposits, making loans, honouring drawn notes issuing receipts and keeping 'running cashes'. In 1690 he bought a goldsmith's business in Fleet Street, which is where Hoare's Bank remains today.

¹⁶ John Keyworth, 'Our debt to the Goldsmiths', *Goldsmiths Review* 1993/4, pp. 34-37, Worshipful Company of Goldsmiths.

¹⁷ Walter Leaf, *Banking* (London: Home University Library, Butterworth, 1926, revised Ernest Sykes 1935), quoting J.W. Gilbart, *The History and Principles of Banking* (London: Longman, Rees, Orme, 1834).

¹⁸ Alfred B. Beaven, *Aldermen of the City of London Temp Henry III – 1912* (London: E.Fisher & Co, 1913).

¹⁹ Sir Robert Bellinger was Lord Mayor in 1966 and Sir Kenneth Cork in 1978.

²⁰ Among 'professional' Livery Companies formed in the 1970's were the Surveyors (1975), Chartered Accountants in England & Wales (1975), Chartered Secretaries and Administrators (1976), Actuaries (1979) and Insurers (1979).

²¹ Now Lord Turner of Ecchinswell and Chairman of the FSA from May 2008, Adair Turner was Director-General of the CBI from 1995-9. Norman Willis was Secretary-General of the TUC from 1984-93, being succeeded by John Monks from 1993-2003.

²² Benjamin B. Boreham was Hon Secretary of the Lombard Association from 1934. Despite his apparently lowly title of assistant sub-manager of Banque de Belge pour l'Etranger, he was well known in the City, including the Bank of England, and in 1947 he was instrumental in setting up the Association of Foreign Banks, whose Secretary he became, eventually retiring in June 1960.

²³ Sir Jeremy Morse was an Executive Director of the Bank of England (1965-72), a Non- executive Director of the Bank (1973-97) and Chairman of Lloyds Bank (1977-93), as well as being the first Chairman of the IMF's Committee of Twenty.

²⁴ Alan Moore, who was Deputy Chairman of Lloyds TSB Group (1998-2003) was Chairman of the Lombard Association (1991/2) and last Chairman of the Bankers Club (1995-2002). He was appointed CBE in 1980.

²⁵ Dr. K.C. Wu OBE (1923-2002) was representative of the Bank of China in London from 1944 to 2001 and doyen of the City's international banking community. He was appointed to the National Committee of the Chinese People's Political Committee in 1988 (the Chinese equivalent of the House of Lords, according to his obituary in *The Daily Telegraph*) and to an Honorary OBE in 1991. He became honorary President of the FBSA in 1990. The story is told that on the occasion of the Bank of England's tercentenary conference in 1994, the Governor opened proceedings by saying, 'Ah, K.C. is here. Now we can start.'

²⁶ Pimm's Red House has long gone. 92/94 Bishopsgate was part of the corner site at the NE corner of the junction of Bishopsgate and London Wall and is now the site of the Heron Tower.

²⁷ Lombard Court runs south and parallel to Lombard Street between St Clement's Lane and Gracechurch Street.

²⁸ Philip Ward-Jackson, *Public Sculpture of the City of London* (Liverpool: Liverpool University Press, 2003), p239.

²⁹ Nikolaus Pevsner, Simon Bradley and Alistair Rowan, *The Buildings of England, London 1: The City of London* (Yale: Yale University Press, 1997).

³⁰ Philip Ward-Jackson, *Public Sculpture of the City of London* (Liverpool: Liverpool University Press, 2003), p. 239.

³¹ Foreign Banks and Securities Houses Association. Founded in 1947 as the Foreign Banks & Affiliates Association, it was known from the late 1970's as the FBA (Foreign Banks' Association) and the FBSA in 1989. In June 2002 it merged with the American Financial Services Association to form the Association of Foreign Banks.

³² Adrienne Gleeson, *London Enriched* (London: FBSA, 1997), p. 72.

³³ Eddie George was Governor of the Bank of England (1993-2003) and Master of the WCIB (2004-5). He was appointed Privy Counsellor (1999) and GBE (2000) and was created a Life Peer in 2004 as Lord George of St Tudy.

³⁴ David Clark was the last Chairman of the Lombard Association (1996-99). After its merger with the Bankers Club he was a member of the Club's Executive Committee.

³⁵ The paintings comprise: *A Kentish landscape* (1840) by Thomas Creswick, oil on canvas; *Somerset House from the River* by William Lionel Wyllie RA (1851-1931), oil on canvas; *The Lower Pool of London, Tower Bridge at Sundown* by Edwin Fletcher; *The Royal Exchange c. 1965*, monogram JL, watercolour.

³⁶ A full description of the Company's Crest, Arms and Supporters can be found in the Members' Handbook.

³⁷ Dame Judith Mayhew Jonas was the first woman to become Chairman of the City's Policy and Resources Committee (1996-2003) and of the Royal Opera House (2003-8). She was appointed DBE in 2002.

³⁸ Corrado Amari, Marc Bellis, Michael Blane, Abdulmagid Breish, Peter Bürger, Luigi Carnelli, Michel Eertmans, Stéphane Hild, Richard Inglis, Angus MacLennan, Gerhard Mann, Marie-Claire Swinnen, James Tree, Peter Twidale, Bill Whitehead – all sponsored by Judith Mayhew (Chairman of the City's Policy & Resources Committee) and Deputy Archie Galloway OBE; K.C. Wu, Adviser to the FBSA, was sponsored by Aldermen David Brewer (Lord Mayor in 2005) and Sir Paul Newall (Lord Mayor in 1993).

³⁹ Being a Company without Livery simply means that the Company has progressed that far on its road to being a full Livery Company but its Court and officers are not allowed to wear livery (in the form of gowns) although they may wear their badges.

⁴⁰ The Engineers managed astonishingly to reach Livery status from Guild status within the year of 1983. Apart from them, the only other near record-breakers in modern times had been the Information Technologists who took 7 years. The present rule, to which it is intended there shall be no exceptions, is a minimum of 5 years to become a Company without Livery and 5 years to full Livery Company status.

⁴¹ Apart from the FBSA, the organisations represented at the first meeting were: American Finance and Securities Association, Association of Investment Trust Companies, Bankers Club, British Bankers' Association, Finance & Leasing Association, Futures & Options Association, International Primary Markets Association and International Securities Market Association, together with Sir Paul Newall and Sir James Davis, former Master of the World Traders' Company.

⁴² Members of the Founding Court: Sir Paul Newall, Michael Beales (Wholesale Markets and Brokers Association), Peter Bürger (FBSA), Andrew Buxton (BBA), Edward Charlton (Bankers Club), Clifford Dammers (IPMA), Peter Derrick (City Chamberlain), Jill Enzmann (Woolnoth Society), Martin Hall (FLA), Simon Hills (BBA), Stan Hurn, John Kibble (ISMA), Joseph King, Michael Kirkwood (AFSA), Angus McLennan (FBSA), Alan Moore CBE (Bankers' Club), James Tree (FBSA), KC Wu. By the time of the Inaugural Dinner, Anthony Belchambers (FOA), Peter Capel (ISMA), Haruo Kimura (Bank of Tokyo- Mitsubishi), Franco Lanza (BCI) and Sir Brian Pitman had also been elected.

⁴³ These line are invariably misquoted in the Press. The version quoted is taken from Lord George's original handwritten note.



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