

# Blazing Trails in Banking and the Law

An Interview with Maria Vullo, Vice Chair and Chief Legal Officer, New York Private Bank & Trust

**EDITORS' NOTE** Maria Vullo is Vice Chairman and Chief Legal Officer of New York Private Bank & Trust and its operating bank, Emigrant. She has 30 years of professional experience in complex areas of regulation, law and public policy and has been a leader in advancing diversity and equality in a range of professional and civic positions. From 2016 to 2019, Vullo served as the Superintendent of the New York State Department of Financial Services, responsible for regulating New York State's financial services industries, including banks and insurance companies. Before becoming a regulator, Vullo was a partner with the law firm Paul, Weiss, Rifkind, Wharton & Garrison LLP, where for more than 25 years she litigated significant civil, regulatory and criminal matters, and advised clients regarding securities, banking, insurance, real estate and other matters. Vullo also served as Executive Deputy Attorney General for Economic Justice in the Office of the New York Attorney General, where she led the Economic Justice Division supervising the Bureaus of Antitrust, Consumer Frauds, Internet, Investor Protection, and Real Estate Finance. Prior to joining Emigrant, Vullo founded Vullo Advisory Services, a strategic advisory firm specializing in financial services regulation, corporate compliance, cybersecurity and data privacy, fintech and insurtech. Among her many philanthropic



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and pro bono activities, Vullo is Regulator-in-Residence at the Fintech Lab run by the Partnership Fund for New York City. She is also an Adjunct Professor at Fordham Law School, and recently co-authored an amicus curiae brief on behalf of more than 100 major businesses in support of the Equal Rights Amendment to the U.S. Constitution. Vullo received a J.D. from NYU School of Law, an MPA from NYU Wagner's Graduate School of Public Service, and a B.A. and Honorary

Ph.D. from the College of Mount Saint Vincent. She is admitted to the Bars of the State of New York, U.S. Supreme Court, multiple U.S. Courts of Appeals and District Courts, and the U.S. Tax Court.

**COMPANY BRIEF** New York Private Bank & Trust ([nypbt.com](http://nypbt.com)) and its operating bank, Emigrant, offer fully-integrated banking, investment advisory, trust, lending, co-investment, and other financial services to meet the needs of individuals, entrepreneurial businesses, and high-net worth families. Founded in 1850 by members of the Irish Emigrant Society to support the financial needs of a growing immigrant community, Emigrant is the largest family-owned and operated bank in the United States. Led by Howard Milstein since 2004, Emigrant continues to serve both its traditional customer base as well as new generations seeking a better way of life for themselves and their families.

**What do you see as the responsibility that banks have to the communities they serve and how critical is community engagement to Emigrant?**

I grew up at a time when banks were seen as a pathway to financial independence and the American dream. Banks were a part of the community and were there to serve communities – either individuals or small businesses. That's the way it should be. Banking should be a positive force in a family's life, a path to progress for working Americans through savings, for example, or by owning a home. I recall my first bank account as an accomplishment and saving for a home as a lesson my parents taught me. Unfortunately, the 2007/08 financial crisis led the entire industry to be universally condemned because of the self-dealing and greedy conduct of a number of the nation's largest banks and some unregulated institutions. All of this resulted in hundreds of billions in fines for these institutions and tens of millions of American families losing their homes or suffering financial distress. The stain of that era unfairly tarred many smaller institutions that had been the backbone of their communities for generations. In other words, the condemnations didn't distinguish the bad actors from the vast majority of community banks that serve their customers well.

To counter this trend, institutions need to pay rigorous attention to the culture they create, because culture drives the behavior of everyone at the institution. That's why I'm so comfortable

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at an institution like Emigrant, where the culture of ethical behavior starts at the top with Chairman Howard Milstein who I've known for years, both in banking circles and through our civic work.

**How have banks, and Emigrant Bank in particular, adapted to address the challenges businesses face due to the pandemic?**

This unprecedented pandemic brought about an economic crisis that, distinct from the last financial crisis, was caused by factors outside the financial world's control. True to form, what is most interesting to me is that smaller banks were the most effective during the crisis, dealing with their customers on a more personal basis and being part of the solution. Banks like Emigrant embraced programs like PPP loans, giving small businesses crucial support to stay afloat. Huge banks were slower to get programs up and running, while we were immediately working around the clock to ensure that these loans were made available to small businesses nationwide. Programs like these really showed how community banking supports progress, lending to smaller businesses that need support. In our case, Emigrant closed PPP loans totaling more than \$200 million which preserved approximately 17,000 jobs. At the same time, our mortgage operations worked around the clock to help homeowners and small businesses by providing forbearances beyond what we were legally required to do, and we worked with regulators to ensure we were providing critical relief to homeowners in need. In the first months of the pandemic, Emigrant approved nearly half a billion dollars in forbearances.

**How critical is it for leading companies to build diverse and inclusive workforces in order to bring diverse perspectives and experiences to the table when making business decisions?**

There's no question that my position at Emigrant is a rarity in both the banking and legal worlds where diversity lags other industries, especially at the senior level. Even today, for example, with women representing around 50 percent of law school graduates every year, female law firm partners hover around 20 percent. To succeed, businesses (and law firms) must do more to attract and retain a diverse workforce, as failure here means a less effective and less profitable business. Indeed, when you are in a service

business – and banking and law are both service businesses – you need to understand the constituencies you are serving. When you are making decisions for diverse populations, the backgrounds and perspectives of the decision-makers play a big role. Without a conscious effort to reflect those you serve, you become a far less effective organization. I will also say that it is much more intellectually stimulating and rewarding to be in a workplace with diverse perspectives and experiences around the table.

**In both private practice and as Superintendent of New York's Department of Financial Services, you were often the only woman in the room. What can be done to create more opportunities for women in industries such as banking and the law?**

It wasn't an easy path. When I made partner in 1996, I was only the second female partner ever in the firm's litigation department – and the first female partner had made partner ten years prior and was no longer with the firm. There were only two other women partners at the time firmwide. Years later, when I became the head regulator in New York, I was frequently the only woman at the table in meetings with leaders of banks and insurance companies or other stakeholders, but at least in that role, I was the regulator, and so I sat at the head of the table. However, there still was some of the perpetuation of the “old boys’ network.” Sometimes it was overt, and other times it was just a reflection of habit – where you recruit, who you know, who you are most comfortable with personally. But it does not have to be this way: if you intentionally cast a wider net, you attract highly-talented individuals who make your organization a more accurate reflection of what makes our country great. That should be the goal for all organizations, public and private, to create opportunities for women, people of color, and other underrepresented individuals. The talent is there – you just have to open your eyes and see them and then let them in.

**What do you see as the keys to effective leadership and how do you describe your management style?**

To me, leadership means having a vision and setting a positive example, making excellent, ethical decisions and not shying away from difficult decisions. Leadership is also sticking with your decisions, owning your decisions,

and embracing your own style. At the same time, being a leader includes the willingness to learn from others. None of us knows everything. Whenever I have had the opportunity to lead anything, including when I was DFS Superintendent where I managed an agency of 1,400 people, I wanted the best people on my leadership team. A true leader hires great people and is not afraid to have smarter people around him or her. None of us can claim a monopoly on intelligence. As a manager, I am also pretty hands-on. I like to know what is going on and I am a perfectionist about written work product. Yet when I trust a senior manager, I am one hundred percent willing to let that person run his or her division and make the judgments on what needs to be reported back to me. My best managers are people who know me well and know what I need to know (they also know that I like to engage in lively conversation from time to time!).

**What advice do you offer to young people beginning their careers during this challenging and uncertain time?**

My advice to young people is that where you have a choice, go with your gut in choosing a place to work. The people with whom you work are probably the most important part of your job. In terms of career growth and success, my main advice is to work hard and always do your best, even if you think your current job is not where you want to stay for long. Never burn bridges, as you never know where or when you might meet people again. Most opportunities come from people you know, or through people you know, and if you work hard and treat everyone with respect, you are likely to do well in your career. People always remember those that are out for themselves or those who pushed someone else aside to get ahead. Finally, I would say that everyone needs to be open-minded about their careers. Times change and the world changes, so those that adapt best to those changes are the ones that do the best in their careers, remain intellectually stimulated, and happy. Take opportunities that come your way. I went to law school thinking I would be a prosecutor. I started at a law firm to pay off my student loans and stayed at the firm for 27 years. I never thought I would be New York's banking and insurance regulator. The point is, take opportunities that arise where you will gain new experiences and enjoy yourself along the way. ●