

UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
COMPTROLLER OF THE CURRENCY

)	
In the Matter of:)	
)	
Continental National Bank)	AA-SO-2017-28
Miami, Florida)	
)	

CONSENT ORDER

The Comptroller of the Currency of the United States of America (“Comptroller” or “OCC”), through his authorized representative, has supervisory authority over Continental National Bank, Miami, Florida (“Bank”).

The Bank, by and through its duly elected and acting Board of Directors (“Board”), has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated July 18, 2017, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Bank has consented to the issuance of this Consent Order (“Order”) by the Comptroller.

Pursuant to the authority vested in it by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that:

ARTICLE I

COMPLIANCE COMMITTEE

(1) The Board shall appoint and maintain a Compliance Committee of at least three (3) directors, of which a majority shall not be employees, officers or controlling shareholders of the Bank or any of its affiliates (as the term “affiliate” is defined in 12 U.S.C. § 371c(b)(1)).

Upon appointment, the names of the members of the Compliance Committee and, in the event of

a change of the membership, the name of any new member, shall be promptly submitted in writing to the Assistant Deputy Comptroller. The Compliance Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Order. The Compliance Committee shall meet at least monthly and maintain minutes of its meetings.

(2) Within forty-five (45) days of the effective date of this Order, and thereafter within thirty (30) days of the end of each calendar quarter, or within such other time period as required by the OCC in writing, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

- (a) a description of the actions needed to achieve full compliance with each Article of this Order;
- (b) specific actions taken to comply with each Article of this Order, and
- (c) the results and status of those actions.

(3) The Board shall forward a copy of the Compliance Committee's report, with any additional written comments by the Board, to the Assistant Deputy Comptroller within ten (10) days of receiving such report.

ARTICLE II

BSA OFFICER AND STAFF

(1) The Board shall ensure that the Bank has a permanent, qualified, and experienced BSA Officer who shall be vested with sufficient authority, time, and resources to fulfill the duties and responsibilities of the position and ensure compliance with the requirements of the Bank Secrecy Act, as amended (31 U.S.C. §§ 5311 et seq.), the regulations promulgated thereunder at 31 C.F.R. Part 103, as amended, 12 C.F.R. Part 21, Subparts B and C, the rules and

regulations of the Office of Foreign Assets Control (“OFAC”) (collectively referred to as the “Bank Secrecy Act” or “BSA”) .

(2) If the BSA Officer position is vacated, the Board shall identify and provide written notice to the Assistant Deputy Comptroller of a new BSA Officer within ninety (90) days of the date of such vacancy.

(3) Within ninety (90) days of this Order, the Board shall engage an independent third party to conduct a formal written assessment of the Bank’s oversight and infrastructure to ensure compliance with the requirements of the BSA. The formal written assessment shall be completed and provided to the Board within one hundred and twenty (120) days of this Order.

This assessment shall include, at a minimum:

- (a) the adequacy of staffing of the Bank Secrecy Act/Anti-Money Laundering (“BSA/AML”) compliance functions, including:
 - (i) the level and scope of responsibilities of the BSA Officer;
 - (ii) the knowledge, skills, and capabilities of the BSA Officer to conduct assigned responsibilities and ensure the Bank’s compliance with the requirements of the BSA; and
 - (iii) the number of staff needed to support the BSA Officer and the Bank’s BSA/AML compliance functions, and the level and scope of responsibilities of any support staff;
- (b) the BSA Officer’s reporting structure, authority, time, and resources; and
- (c) the Bank’s performance evaluation program that addresses periodic performance evaluations of staff involved with BSA/AML compliance.

(4) Within sixty (60) days after completing the formal written assessment under paragraph (3) of this Article, the Board shall ensure that the Bank implements any changes that are needed regarding the Bank's BSA Officer and supporting staff, including the responsibilities, authority, structure, independence, competencies, or capabilities. In particular, the Board shall ensure that the BSA Officer and supporting staff have sufficient training, authority, and skill to perform their assigned responsibilities.

(5) The Board shall periodically (no less than annually) review the adequacy of the Bank's BSA Officer and supporting staff, and shall document its determination(s) in writing. The periodic reviews shall consider the factors described in paragraph (3).

ARTICLE III

BANK SECRECY ACT INTERNAL CONTROLS

(1) Within one hundred and twenty (120) days of the date of this Order, the Board shall review, revise, and thereafter ensure Bank adherence to a written program of policies and procedures to provide for compliance with the Bank Secrecy Act and the appropriate identification and monitoring of transactions that pose greater than normal risk for compliance with the BSA. This program shall include the following:

- (a) updating the bank's BSA/AML risk assessment to cover the risks associated with current, or subsequently proposed, Bank products, services, customers, entities, and geographies served;
- (b) reasonable procedures for conducting due diligence, as discussed further in Article IV;

- (c) identification of current customers and accounts exhibiting high risk characteristics for money laundering, terrorist financing, or other illicit activity;
- (d) an evaluation of existing internal controls to mitigate the identified risks, taking into account weaknesses noted in the audit and the Report of Examination (“ROE”) dated February 6, 2017 or any subsequent audit or ROE;
- (e) policies and procedures to provide for the maintenance of integrated, accurate systems to monitor cash, monetary instruments, wire transfers, automated clearing house transactions, internal transfer transactions, etc., for all types of transactions, accounts, customers, products, services, and geographic areas;
- (f) procedures to perform mapping of the BSA/AML monitoring systems to ensure all accounts and transactions are captured for suspicious activity monitoring;
- (g) procedures to ensure the usage of appropriate thresholds in the Bank’s automated monitoring systems to filter accounts and customers for further monitoring, review, and analysis, including:
 - (i) an analysis of the filtering thresholds established by the Bank;
 - (ii) periodic testing and monitoring of thresholds for their appropriateness to the Bank’s customer base, products, services, and geographic areas;

- (iii) a requirement that any changes to thresholds are approved at the senior management level and periodically reported to the Board;
and
 - (iv) a requirement that documentation of any changes to the thresholds is maintained and available to auditors and examiners.
- (h) a requirement for independent third party validation of the models used for the BSA/AML monitoring systems in order to ensure that all accounts and transactions are captured and that the systems are adequate to detect potentially suspicious activity;
- (i) procedures to maintain accurate and complete records on wire transfers and to identify and report to appropriate management:
- (i) wire transfers or book entry transfers to domestic entities or individuals;
 - (ii) wire transfers or book entry transfers that are deposited into several accounts;
 - (iii) receipt and disbursement of wire transfers or book entry transfers without an apparent *bona fide* business reason;
 - (iv) receipt and disbursement of wire transfers or book entry transfers that are suspicious or inconsistent with the customers' business;
and
 - (v) receipt and disbursement of currency that are suspicious or inconsistent with the customers' business;

- (j) well-defined policies and procedures for investigating and responding to transactions that have been identified as posing greater than normal risk for compliance with the Bank Secrecy Act;
- (k) adequate controls and procedures to ensure the accurate and timely filing of currency transaction reports (CTRs) and suspicious activity reports (SARs);
- (l) an independent audit program designed to ensure compliance with the Bank Secrecy Act that covers all areas of the Bank and includes an appropriate scope, risk-based testing, and retention of underlying documentation, as discussed further in Article V of this document.
- (m) a comprehensive training program for all appropriate operational and supervisory personnel to ensure their awareness of their specific assigned responsibilities for compliance with the requirements of the Bank Secrecy Act, as discussed further in Article VI of this document;

(2) The Board shall ensure that the Bank has sufficient processes, personnel, resources, and control systems to effectively implement and adhere to all Articles of this Order and the plans developed pursuant to it.

ARTICLE IV

CUSTOMER DUE DILIGENCE AND ENHANCED DUE DILIGENCE

(1) Within ninety (90) days of the date of this Order, the Bank shall develop and thereafter ensure Bank adherence to appropriate policies and procedures for collecting customer due diligence (“CDD”) and enhanced due diligence (“EDD”) information when opening new accounts, when renewing or modifying existing accounts for customers, and when the Bank

obtains event-driven information indicating that it would be prudent to obtain updated information. Such policies shall be in accordance with applicable law and guidance and should give consideration to FinCEN's regulation on *Customer Due Diligence Requirements for Financial Institutions*, which became effective July 11, 2016 and has an "applicability date" of May 11, 2018. At a minimum, these policies and procedures must be adequate to ensure that the Bank understands the nature and purpose of its customer relationships and shall include:

- (a) baseline documentation requirements and processes to be used for CDD at account opening, including ACH specific customer and originator due diligence policies, processes, and procedures per OCC Bulletin 2008-12, *Payment Processors Guidance*.
- (b) an appropriate methodology for assigning accurate risk levels to the Bank's customer base that assesses relevant factors including products, services, customers, entities, transactions, and geographic locations;
- (c) specification of the EDD information that bank personnel must obtain for higher-risk accounts, which among other information should include:
 - (i) purpose of the account;
 - (ii) source of funds and wealth;
 - (iii) individuals with ownership or control over the account, such as beneficial owners, signatories, or guarantors;
 - (iv) occupation or type of business (of customer or other individuals with ownership or control over the account);
 - (v) circumstances or situations when financial statements should be obtained;

- (vi) bank references;
 - (vii) domicile (where the business is organized);
 - (viii) proximity of the customer's residence, place of employment, or place of business to the bank;
 - (ix) description of the customer's primary trade area and whether international transactions are expected to be routine;
 - (x) description of the business operations, the anticipated volume of currency and total sales, and a list of major customers and suppliers; and
 - (xi) explanations for changes in account activity.
- (d) procedures that must be followed for higher-risk customers to ensure customer risk profiles are updated when appropriate and that on-going monitoring to identify and report suspicious activity is conducted;
- (e) periodic assessments by the BSA Officer or his/her designee of the effectiveness of the Bank's CDD, EDD, and monitoring activities, including timely corrective action to address weaknesses identified in the assessments, in the Bank's audit, or in a ROE; and
- (f) guidance and standards regarding when to: not open an account, permit the use of an account while verifying a customer's identity or other risks, close an account when the Bank is not able to form a reasonable belief that it knows the true identify of a customer or if the Bank does not receive requested due diligence information, and file SARs based on suspicious activity identified.

(2) The BSA Officer or his/her designee(s) shall monitor accounts for high-risk customers/transactions, and any related accounts, to determine whether activity is consistent with the customer's business and the stated purpose of the account. In the event that monitoring indicates account activity is not in accordance with existing account information, the bank must update the customer information.

(3) The Bank shall develop and maintain a management information system ("MIS") program that compiles CDD and EDD information. The program shall be commensurate with the Bank's BSA/AML risk profile, and shall provide appropriate staff throughout the Bank with automated ready access to CDD and EDD information.

(4) The Bank shall develop a risk-based plan to apply the requirements in its updated CDD and EDD policies and procedures to its existing customers in proportion to the risks posed by the customers.

(5) The Board shall ensure that the Bank has sufficient processes, personnel, resources, and control systems to effectively implement and adhere to this Article and the policies and procedures required pursuant to it.

ARTICLE V

BANK SECRECY ACT AUDIT

(1) Within ninety (90) days of the date of this Order, the Board, or a designated committee of the Board, shall adopt, implement, and thereafter ensure Bank adherence to an independent BSA/AML audit program that adheres to the minimum requirements for adequate independent testing as outlined in the FFIEC BSA/AML Examination Manual and that:

(a) detects irregularities in the Bank's operations;

- (b) determines the Bank's level of compliance with laws, rules, and regulations;
- (c) evaluates the Bank's adherence to established policies and procedures;
- (d) performs an appropriate level of testing to support the audit findings;
- (e) ensures adequate audit coverage in all areas; and
- (f) establishes an annual audit plan using a risk-based approach sufficient to achieve these objectives.

(2) Within ninety (90) days of the date of this Order, the Board shall expand the Bank's existing BSA audit procedures to include:

- (a) development of a schedule for BSA audits from which deviations of more than 45 days will occur only with the Board's, or a designated committee of the Board's, approval;
- (b) a requirement that the audit staff shall have access to all records necessary for the proper conduct of its activities;
- (c) a requirement for a prompt management response and follow-up to audit and ROE findings; and
- (d) a risk-based approach to OFAC and Bank Secrecy Act audit that includes transactional testing and verification of data for higher-risk accounts or geographic areas of specific concern.

(3) The Board, or a designated committee, shall ensure that the audit program is independent. The persons responsible for implementing the BSA audit program described above shall report directly to the Board, or a designated committee of the Board, which shall have the sole power to direct their activities. All reports prepared by the audit staff shall be filed directly

with the Board or a designated committee of the Board and not through any intervening party. All audit reports shall be in writing and supported by adequate workpapers, which must be provided to the Bank and retained for examiner review. The Board, or a designated committee of the Board, shall evaluate the audit reports and assess the impact on the Bank of any audit deficiencies cited in such reports.

(4) The Board, or a designated committee of the Board, shall ensure appropriate oversight of the BSA audit function, with particular emphasis on an adequately staffed department or outside firm with respect to both the experience level and number of the individuals employed.

(5) Within ninety (90) days of the completion of each BSA audit, the Board, or a designated committee of the Board, shall evaluate and develop written conclusions regarding the adequacy of such BSA audit, reaching determinations regarding:

- (a) the adequacy of the audit's scope, transactional testing, documentation, and conclusions, with consideration of any deficiencies noted in an ROE;
- (b) an assessment of prior audits as well as management's and the Board's response to those audits; and
- (c) remedial action planned to be taken to address any audit-related deficiencies identified.

(6) Upon completion, a copy of any programs, procedures, conclusions, or other documents developed pursuant to this article shall be promptly submitted to the Assistant Deputy Comptroller.

(7) The Board shall ensure that the Bank has sufficient processes, personnel, resources, and control systems to effectively implement and adhere to this Article and the programs, policies, procedures, and conclusions required pursuant to it.

ARTICLE VI

BANK SECRECY ACT TRAINING

(1) Within ninety (90) days of the date of this Order, the Board shall develop, implement, and thereafter ensure Bank adherence to a comprehensive training program for employees and directors to ensure their awareness of their responsibility for compliance with the requirements of the Bank Secrecy Act and OFAC.

(2) This comprehensive training program shall include appropriate strategies for mandatory attendance, the frequency of training, procedures and timing for updating training programs, and the method for delivering training.

(3) The scope of the trainings shall align with the Bank's risk-profile and the types of accounts in the Bank. Specific training requirements for each employee and director shall be tailored based on each individual's job responsibilities and role in the Bank.

(4) Training requirements for the BSA Officer and other employees responsible for oversight of the BSA/AML monitoring systems shall include specific training on the capabilities and limitations of the automated systems, the rule definitions, the data mapping of the systems, how to run a model and establish rules for the system, how to test and validate the system, and how to appropriately document the coverage of and any changes made to the systems.

(5) The Board shall ensure that the Bank has sufficient processes, personnel, resources, and control systems to effectively implement and adhere to this Article and the program required pursuant to it.

ARTICLE VII

BSA/AML RISK ASSESSMENT

(1) Within ninety (90) days of this Order, the Board shall adopt, implement, and thereafter ensure Bank adherence to an enhanced written institution-wide, ongoing BSA/AML Risk Assessment Program and process that timely and accurately identifies the BSA risks posed to the Bank after consideration of all pertinent information (“BSA/AML Risk Assessment”). The BSA/AML Risk Assessment shall reflect a comprehensive analysis of the Bank’s vulnerabilities to money laundering and financial crimes activity and provide strategies to control risk and limit any identified vulnerabilities. The BSA/AML Risk Assessment methodology shall follow the risk assessment expectations set forth in the *2014 FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual* (rev. Feb. 27, 2015) (“FFIEC BSA/AML Examination Manual”) and shall include:

- (a) the identification of all activities and other elements that pose BSA/AML risk to the Bank, including, but not limited to, the Bank’s: (i) products and services; (ii) customers and entities; (iii) transactions; (iv) countries or geographic locations; and (v) methods that the Bank uses to interact with its customers (collectively, the “specific risk categories”);
- (b) a detailed analysis of all pertinent data obtained regarding the specific risk categories, including but not necessarily limited to:
 - (i) volumes and types of transactions and services by country or geographic location; and
 - (ii) numbers of customers that typically pose higher BSA/AML risk, both by type of risk and by geographic location, so as to permit the

Bank to revise or develop, as necessary, and implement appropriate policies, processes, and procedures to monitor and mitigate the Bank's BSA/AML risks within the specific risk categories. The analysis to be conducted shall include an evaluation of all relevant information obtained through the Bank's Customer Identification Program ("CIP"), CDD, and EDD;

- (c) an assessment of BSA/AML risk both individually within the Bank's business lines and on a consolidated basis across all Bank activities and product lines, so as to permit the Bank to identify accurately BSA/AML risk and risk categories within and across specific lines of business and product categories;
- (d) an update of the Risk Assessment at least every twelve (12) months so as to identify and respond to changes in the Bank's risk profile (such as when new products or services are introduced, existing products or services change, there is a material change to high-risk customer accounts or profiles, or the Bank expands through mergers or acquisitions); and
- (e) maintenance of appropriate documentation, including CDD and EDD information, so as to be able to support the Risk Assessment's conclusions;

(2) Within one-hundred and twenty (120) days of this Order, the Board shall review and approve the BSA/AML Risk Assessment processes and actual assessments. The Board shall review and approve each Risk Assessment at least annually thereafter, and upon receipt of any updates or changes to each Risk Assessment.

ARTICLE VIII

ACCOUNT/TRANSACTION ACTIVITY AND SUSPICIOUS ACTIVITY REPORT REVIEW

(“LOOK-BACK”)

(1) Within thirty (30) days of this Order, the Bank shall provide to the Assistant Deputy Comptroller for prior no supervisory objection an action plan (“Action Plan”) to conduct a review of account and transaction activity (“Look-Back”) covering January 1, 2016 to June 30, 2017. The Action Plan shall include the proposed scope of the Look-Back. Upon being advised by the OCC that it does not take supervisory objection to the Action Plan, the Bank shall implement the Action Plan.

(2) The purpose of the Look-Back is to determine whether additional SARs should be filed for any previously unreported suspicious activity, including cases in which the BSA Officer or staff identified suspicious activity but failed to adequately support a decision not to file a SAR, and to review the quality and accuracy of previous SAR filings to determine whether corrections or amendments are necessary to ensure that the suspicious activity identified was accurately reported in compliance with 12 C.F.R. § 21.11.

(3) Within thirty (30) days of this Order, the Bank shall provide to the Assistant Deputy Comptroller for prior no supervisory objection a qualified, independent third party consultant acceptable to the OCC, with expertise in conducting look-back reviews for financial institutions, to validate the Look-Back. After the OCC has advised the Bank that it does not take supervisory objection to the proposed consultant, the Board shall engage the consultant to perform the Look-Back validation.

(4) The Look-Back and its review and validation shall be completed within one hundred and twenty (120) days of the date the OCC advises the Bank that it does not take supervisory objection to the Action Plan required by paragraph (1) of this Article VIII.

(5) Upon completion of the Look-Back:

(a) the Bank shall ensure that:

(i) SARs have been filed, in accordance with 12 C.F.R. § 21.11, for any previously unreported suspicious activity identified during the review; and

(ii) any and all necessary corrections or amendments to SARs previously filed are made to ensure that the previously identified suspicious activity is accurately reported in accordance with 12 C.F.R. § 21.11.

(b) the written findings shall be reported to the Board or a designated committee of the Board; and

(c) the Bank will provide the Assistant Deputy Comptroller with a report containing relevant information, including the number of any additional SARs and of modified or amended SARs filed as a result of the review.

(6) Based upon the results of the Look-Back, the OCC may require a longer lookback period or expand the scope of the review. If an additional look-back is deemed appropriate by the OCC, the Bank shall complete the look-back in accordance with this Article.

ARTICLE IX

VIOLATIONS OF LAWS

(1) The Board shall immediately take all necessary steps to ensure that Bank management corrects each violation of law, rule, or regulation cited in the most recent ROE or any subsequent ROE, or brought to the Board's or Bank's attention in writing by management, regulators, auditors, loan review, or other compliance efforts. Within sixty (60) days after the violation is cited or brought to the Board's or Bank's attention, the Bank shall provide to the Board a list of any violations that have not been corrected. This list shall include an explanation of the actions taken to correct the violation, the reasons why the violation has not yet been corrected, and a plan to correct the violation by a specified date.

(2) The progress reports required by Article I of this Order shall include the date and manner in which each correction has been effected during that reporting period.

(3) Within sixty (60) days of the date of this Order, the Board shall adopt and the Bank, subject to Board review and ongoing monitoring, shall implement and thereafter ensure Bank adherence to:

- (a) specific procedures to prevent future violations as cited in any ROE; and
- (b) general procedures addressing compliance management that incorporate internal control systems and education of employees regarding laws, rules, and regulations applicable to their areas of responsibility.

ARTICLE X

CLOSING

(1) Although the Board is by this Order required to submit certain proposed actions and programs for the review or prior written determination of no supervisory objection of the

Assistant Deputy Comptroller, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) It is expressly and clearly understood that if, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon it by the several laws of the United States of America to undertake any action affecting the Bank, nothing in this Order shall in any way inhibit, estop, bar or otherwise prevent the Comptroller from so doing.

(3) Except as otherwise expressly provided herein, any time limitations imposed by this Order shall begin to run from the effective date of this Order.

(4) If the Bank requires a waiver or suspension of any relevant provision, or an extension of any timeframe within this Order, the Board shall submit a written request to the Assistant Deputy Comptroller asking for the relief. Any written requests submitted pursuant to this Article shall include a statement setting forth in detail, with relevant supporting documentation, the special facts and circumstances that support the waiver or suspension of any provision or an extension of a timeframe within this Order. The Assistant Deputy Comptroller's decision concerning a request submitted pursuant to this paragraph is final and not subject to further review.

(5) The provisions of this Order are effective upon issuance of this Order by the Comptroller, through his authorized representative whose hand appears below, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller.

(6) In each instance in this Order in which the Board is required to ensure adherence to, and undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

- (a) authorize, direct and adopt such actions on behalf of the Bank as may be necessary for the Bank to perform its obligations and undertakings under the terms of this Order;
- (b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Order;
- (c) follow-up on any non-compliance with such actions in a timely and appropriate manner;
- (d) require corrective action be taken in a timely manner of any non-compliance with such actions; and
- (e) ensure the Bank has sufficient processes, management, personnel, and control systems to effectively implement and adhere to all provisions of this Order and the requirements and timeframes of all plans and programs submitted pursuant to the Order and that Bank management and personnel have sufficient training and authority to execute their duties and responsibilities under this Order.

(7) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States.

(8) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

(9) Each citation or referenced guidance included in this Order includes any subsequent guidance that replaces, supersedes, amends, or revises the cited law, regulation or guidance.

(10) All reports or plans that the Bank or Board has agreed to submit to the Comptroller shall be forwarded, by overnight mail or via email, to the following:

Assistant Deputy Comptroller
Office of the Comptroller of the Currency
South Florida Field Office
9800 Northwest 41st Street
Suite 260
Miami, FL 33178

IT IS SO ORDERED, this 18th day of July, 2017.

/s/

7/18/17

Elizabeth L. Ferradas
Assistant Deputy Comptroller
Miami Field Office

Date

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
COMPTROLLER OF THE CURRENCY**

In the Matter of:)	
)	
Continental National Bank)	AA-SO-2017-28
Miami, Florida)	
)	

**STIPULATION AND CONSENT TO THE ISSUANCE
OF A CONSENT ORDER**

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”), based on information derived from the exercise of his regulatory and supervisory responsibilities, intends to issue a cease and desist order to Continental National Bank, Miami, Florida (“Bank”), pursuant to 12 U.S.C. § 1818(b), for violations of 12 C.F.R. §§ 21.21 and 21.11 and 12 U.S.C. § 1818(s).

WHEREAS, in the interest of cooperation and to avoid additional costs associated with administrative and judicial proceedings with respect to the above matter, the Bank, through its duly elected and acting Board of Directors (the “Board”), has agreed to execute this Stipulation and Consent to the Issuance of a Consent Order (“Stipulation”), that is accepted by the Comptroller, through his duly authorized representative;

NOW THEREFORE, in consideration of the above premises, it is stipulated by the Bank that:

ARTICLE I
JURISDICTION

(1) The Bank is a national banking association chartered and examined by the Comptroller pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1, *et seq.*

(2) The Comptroller is “the appropriate Federal banking agency” regarding the Bank pursuant to 12 U.S.C. §§ 1813(q) and 1818(b).

(3) The Bank is an “insured depository institution” within the meaning of 12 U.S.C. §§ 1818(b)(1) and 1813(c).

ARTICLE II

AGREEMENT

(1) The Bank, without admitting or denying any wrongdoing, hereby consents and agrees to the issuance of the accompanying Consent Order (“Consent Order”) by the Comptroller.

(2) The Bank consents and agrees that said Consent Order shall be deemed an “order issued with the consent of the depository institution” as defined in 12 U.S.C. § 1818(h)(2), and consents and agrees that said Consent Order shall become effective upon its execution by the OCC through the Comptroller’s duly authorized representative, and shall be fully enforceable by the Comptroller under the provisions of 12 U.S.C. § 1818(i).

(3) Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein undertaken by the Bank under his supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the Comptroller has any intention to enter into a contract.

(4) The Bank declares that no separate promise or inducement of any kind has been made by the OCC, or by its officers, employees, or agents, to cause or induce the Bank to consent to the issuance of the Consent Order and/or execute this Stipulation.

(5) The Bank expressly acknowledges that no officer or employee of the Comptroller has statutory or other authority to bind the United States, the United States Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller's exercise of his supervisory responsibilities.

ARTICLE III

WAIVERS

(1) The Bank, by signing this Stipulation and consenting to the Consent Order, hereby waives:

- (a) any and all rights to the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818(b);
- (b) any and all procedural rights available in connection with the issuance of the Consent Order;
- (c) any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and (h), 12 C.F.R. Part 19;
- (d) all rights to seek any type of administrative or judicial review of the Consent Order;
- (e) any and all claims for fees, costs, or expenses against the Comptroller, or any of his agents, officers or employees, related in any way to this enforcement matter or the Consent Order, whether arising under common

law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412;

- (f) any and all rights to assert this proceeding, this Stipulation, consent to the issuance of the Consent Order, and/or the issuance of the Consent Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice, or any other governmental entity; and
- (g) any and all rights to challenge or contest the validity of the Consent Order.

ARTICLE IV

ELIGIBLE BANK – OTHER PROVISIONS

- (1) As a result of the Consent Order:
 - (a) the Bank is an “eligible bank” pursuant to 12 C.F.R. § 5.3(g)(5) for the purposes of 12 C.F.R. Part 5 regarding rules, policies, and procedures for corporate activities, unless otherwise informed in writing by the OCC;
 - (b) the Bank is not subject to the limitation of 12 C.F.R. § 5.51(c)(7)(ii) for the purposes of 12 C.F.R. § 5.51 requiring OCC approval of a change in directors and senior executive officers, unless otherwise informed in writing by the OCC;
 - (c) the Bank is not subject to the limitation on golden parachute and indemnification payments provided by 12 C.F.R. § 359.1(f)(1)(ii)(C) and

12 C.F.R. § 5.51(c)(7)(ii), unless otherwise informed in writing by the OCC;

- (d) the Bank's status as an "eligible bank" remains unchanged pursuant to 12 C.F.R. § 24.2(e)(4) for the purposes of 12 C.F.R. Part 24 regarding community and economic development, unless otherwise informed in writing by the OCC; and
- (e) the Consent Order shall not be construed to be a "written agreement, order, or capital directive" within the meaning of 12 C.F.R. § 6.4, unless the OCC informs the Bank otherwise in writing.

ARTICLE V

CLOSING

- (1) The provisions of this Stipulation and the Consent Order shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank if, at any time, it deems it appropriate to do so to fulfill the responsibilities placed upon it by the several laws of the United States of America.
- (2) Nothing in this Stipulation or the Consent Order shall preclude any proceedings brought by the Comptroller to enforce the terms of the Consent Order, and nothing in this Stipulation or the Consent Order constitutes, nor shall the Bank contend that it constitutes, a release, discharge, compromise, settlement, dismissal, or resolution of any actions, or in any way affects any actions that may

be or have been brought by any other representative of the United States or an agency thereof, including, without limitation, the United States Department of Justice.

- (3) The terms of this Stipulation, including this paragraph, and of the Consent Order are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his representative, has hereunto set her hand on behalf of the Comptroller.

/s/

7/18/17

Elizabeth L. Ferradas
Assistant Deputy Comptroller
Miami Field Office

Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

_____ Antonio L. Argiz	_____ Date
_____ /s/ Scott Baena	_____ 7-18-17 Date
_____ /s/ Cesar Camacho	_____ 7-18-17 Date
_____ /s/ Ana Maria Camacho	_____ 7/18/17 Date
_____ /s/ Jaqueline Dascal-Chariff	_____ 7/18/17 Date
_____ Jack Delaster	_____ Date
_____ /s/ Guillermo Diaz-Rousselot	_____ 7/18/17 Date
_____ Ana Maria Escagedo	_____ Date
_____ /s/ Manuel E. Machado	_____ 7/18/17 Date
_____ /s/ David Weck	_____ 7/18/17 Date