

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

<b>In the Matter of:</b>	)	
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Primary NY Branch	)	
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Secondary NY Branch	)	
New York, New York	)	AA-EC-2017-70
	)	
Federal Branches of:	)	
	)	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	)	
Tokyo, Japan	)	

**CONSENT ORDER**

**WHEREAS**, effective November 7, 2017, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over The Bank of Tokyo-Mitsubishi UFJ, Ltd. Primary NY Branch, Federal branch, 1251 Avenue of the Americas, New York, New York, and The Bank of Tokyo-Mitsubishi UFJ, Ltd. Secondary NY Branch, Federal branch, 1221 Avenue of the Americas, New York, New York (collectively, the “New York Branch”), Federal branches of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“Bank”);

**WHEREAS**, prior to November 7, 2017, the New York Branch was licensed and supervised by the New York State Department of Financial Services (“NYDFS”);

**WHEREAS**, on June 19, 2013, the Bank and the New York Branch consented to the issuance of a Consent Order Under New York Banking Law § 44 related to the New York Branch’s U.S. dollar clearing activity toward countries under U.S. economic sanctions (“2013 Consent Order”).

**WHEREAS**, the 2013 Consent Order required the Bank and the New York Branch to pay a civil money penalty and hire an independent consultant to conduct a comprehensive review

of the New York Branch's Bank Secrecy Act/Anti-Money Laundering ("BSA/AML") related sanctions compliance programs, policies, and procedures ("Sanctions Compliance Programs"). The 2013 Consent Order further required the New York Branch to improve its Sanctions Compliance Programs based on the findings of the independent consultant and improve management oversight of its Sanctions Compliance Programs;

**WHEREAS**, the Bank and the New York Branch paid the civil money penalty required by the 2013 Consent Order;

**WHEREAS**, on November 18, 2014, the Bank and the New York Branch agreed to a Consent Order Under New York Banking Law §§ 39 and 44 related to violations of law and regulation prior to the 2013 Consent Order ("2014 Consent Order");

**WHEREAS**, the 2014 Consent Order required the Bank and the New York Branch to pay a civil money penalty, refrain from retaining or engaging certain individuals, extend the independent consultant required under the 2013 Consent Order for 18 months, and comply with certain other requirements;

**WHEREAS**, the Bank and the New York Branch paid the civil money penalty required by the 2014 Consent Order and agreed not to claim, assert, or apply for a tax deduction or tax credit for any portion of the civil money penalty paid pursuant to the 2014 Consent Order;

**WHEREAS**, on October 30, 2017, the Bank filed applications to convert its New York Branch to federal branch licensees supervised by the OCC;

**WHEREAS**, the OCC approved such conversion applications on November 7, 2017, subject to the condition that the Bank and the New York Branch, within five business days of consummation of the conversion, execute a Stipulation and Consent to the Issuance of a Consent Order agreeing to the issuance of a Consent Order requiring the Bank and the New York Branch

to adhere to remedial provisions that are substantively the same as those in the 2013 Consent Order and 2014 Consent Order;

**WHEREAS**, the OCC and the Bank consummated the conversion of the New York Branch on November 7, 2017;

**WHEREAS**, this Consent Order (“Order”) contains remedial provisions that are substantively the same as those in the 2013 Consent Order and 2014 Consent Order;

**WHEREAS**, effective November 7, 2017, the 2013 Consent Order and 2014 Consent Order, and any related agreements entered into pursuant to the 2013 Consent Order or 2014 Consent Order, are not effective with respect to the Bank and the New York Branch;

**WHEREAS**, the Bank and the New York Branch, by and through their duly authorized representative, have executed a Stipulation and Consent to the Issuance of a Consent Order (“Stipulation”), dated November 9, 2017, that is accepted by the OCC through the duly authorized representative of the Comptroller of the Currency (“Comptroller”);

**WHEREAS**, by this Stipulation, which is incorporated herein by reference, the Bank and the New York Branch have consented to the issuance of this Order by the OCC, through the Comptroller’s duly authorized representative.

**NOW, THEREFORE**, pursuant to the authority vested in the OCC by Section 8(b) of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(b), the OCC hereby orders that:

## **ARTICLE I**

### **BSA/AML RELATED SANCTIONS COMPLIANCE PROGRAMS**

(1) Within ten (10) business days of this Order, the New York Branch shall submit all plans to improve and enhance the New York Branch's BSA/AML related Sanctions Compliance Programs adopted by the Bank and the New York Branch pursuant to the 2013 Consent Order and 2014 Consent Order ("Action Plan"). The Action Plan shall include steps to address any and all findings of BSA/AML and OFAC deficiencies, including those contained in any final independent consultant's report(s), unless otherwise directed by the OCC. The Action Plan will provide for enhanced internal controls and updates and/or revisions to policies, procedures, and processes of the New York Branch to ensure full compliance with all applicable provisions of the Bank Secrecy Act, the rules and regulations issued thereunder, Office of Foreign Assets Control ("OFAC") requirements, and the requirements of the 2013 Consent Order and 2014 Consent Order. The Bank and the New York Branch shall adhere to the requirements and timeframes for implementation under the Action Plan.

(2) The General Manager of the New York Branch ("GM") shall submit the Action Plan to the Examiner-In-Charge ("EIC") for a written determination of no supervisory objection. Upon receipt of a written determination of no supervisory objection, the GM shall ensure that the New York Branch implements and adheres to the Action Plan. Any material proposed changes or deviations from the approved Action Plan shall be submitted in writing to the EIC for prior review and determination of no supervisory objection by the EIC.

(3) Commencing with the fourth calendar quarter of 2017, within thirty (30) days after the end of each calendar quarter, the GM shall submit to the EIC a written progress report detailing the form and manner of all actions taken to secure compliance with the provisions of

this Order and the results thereof. The GM shall ensure that the progress report includes information sufficient to validate compliance with this Order. The EIC may, in writing, discontinue the requirement for progress reports or modify the reporting schedule.

(4) The Bank and the New York Branch will maintain in the United States the Bank's U.S. BSA/AML and OFAC sanctions compliance programs, and these programs will have U.S. compliance oversight over all transactions affecting the New York Branch, including those transactions performed outside the U.S. that affect the New York Branch.

## **ARTICLE II**

### **MANAGEMENT OVERSIGHT**

(1) Within ten (10) business days of this Order, the New York Branch shall submit all plans to improve and enhance management oversight of the New York Branch's Sanctions Compliance Programs adopted by the Bank and the New York Branch pursuant to the 2013 Consent Order ("Management Oversight Plan"). The Bank and the New York Branch shall adhere to the requirements and timeframes for implementation under the Management Oversight Plan.

(2) The GM shall submit the Management Oversight Plan to the EIC for a written determination of no supervisory objection. Upon receipt of a written determination of no supervisory objection, the GM shall ensure that the New York Branch implements and adheres to the Management Oversight Plan. Any material proposed changes or deviations from the approved Management Oversight Plan shall be submitted in writing to the EIC for prior review and determination of no supervisory objection by the EIC.

### **ARTICLE III**

#### **ACCOUNTABILITY FOR EMPLOYEES INVOLVED IN MISCONDUCT**

(1) The Bank and the New York Branch shall not in the future, directly or indirectly, retain as either an officer, employee, agent, consultant or contractor of the Bank, or any affiliate of the Bank, or in any other capacity, any individual identified in Paragraph 23 of the 2014 Consent Order.

(2) The Bank and the New York Branch shall not permit any individuals who were barred by the 2014 Consent Order from engaging, directly or indirectly, in any duties, responsibilities, or activities at or on behalf of the Bank or the Bank's affiliates that involve their banking business in the United States, to be so engaged in the future.

### **ARTICLE IV**

#### **CLOSING**

(1) Although the GM by this Order is required to submit certain proposed plans for the review or prior written determination of no supervisory objection of the EIC, the GM has the ultimate responsibility for proper and sound management of the New York Branch as well as compliance with all of the provisions contained in this Order and with the requirements and timeframes for all plans submitted pursuant to this Order.

(2) In each instance in this Order in which the GM is required to take action, ensure adherence to, and undertake to perform certain obligations of the New York Branch, including the obligation to implement plans or other actions, it is intended to mean that the GM shall:

- (a) Ensure the New York Branch 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

submitted pursuant to this Order and that New York Branch management and personnel have sufficient training and authority to execute their duties and responsibilities under this Order;

- (b) Authorize, direct, and adopt such actions on behalf of the New York Branch as may be necessary for the New York Branch to perform its obligations and undertakings under the terms of this Order;
- (c) Require appropriate, adequate, and timely reporting by New York Branch management of such actions directed by the GM to be taken under the terms of this Order;
- (d) Obtain from the Bank or its affiliates any information the GM requires to comply with this Order;
- (e) Follow-up on any non-compliance with such actions in a timely and appropriate manner; and
- (f) Require corrective action be taken in a timely manner of any non-compliance with such actions.

(3) Each citation, guidance, or issuance referenced in this Order includes any subsequent citations, guidance, or issuance that replaces, supersedes, amends, or revises the cited citation, regulation, or guidance.

(4) The provisions of this Order are effective upon issuance by the OCC, through the Comptroller's duly 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 are amended, suspended, waived, or terminated in writing by the OCC, through the Comptroller's duly authorized representative.

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

(6) If the New York Branch requires an extension of any timeframe within this Order, the GM shall submit a written request to the EIC asking for relief. Any written request submitted pursuant to this Article shall include a statement setting forth in detail the special facts and circumstances that prevent the New York Branch from complying with a provision within a timeframe specified in this Order and that require an extension of that timeframe. All such written requests shall be accompanied by relevant supporting documentation, and any other facts upon which the New York Branch relies. The OCC's decision concerning a request for an extension of any timeframe within this Order and plans or programs submitted pursuant to this Order, which will be communicated to the GM in writing by the EIC, is final and not subject to further review.

(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) It is expressly and clearly understood that if, at any time, the OCC 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 and the New York Branch, nothing in this Order shall in any way inhibit, estop, bar or otherwise prevent the OCC from so doing.

(9) 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.



(10) All correspondence related to this Order, and any information or documentation required hereunder to be submitted to the EIC, shall be sent by overnight mail or hand delivery to:

Carolyn DuChene  
Examiner-In-Charge  
Comptroller of the Currency  
400 California Street, 3rd Floor  
San Francisco, Calif. 94104

IT IS SO ORDERED, this \_\_9th\_ day of November, 2017.

/s/

---

Vance S. Price  
Deputy Comptroller  
Large Bank Supervision

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

<hr/>	)	
<b>In the Matter of:</b>	)	
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Primary NY Branch	)	
The Bank of Tokyo-Mitsubishi UFJ, Ltd. Secondary NY Branch	)	
New York, New York	)	AA-EC-2017-70
	)	
Federal Branches of:	)	
	)	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	)	
Tokyo, Japan	)	
<hr/>	)	

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

**WHEREAS**, effective November 7, 2017, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over The Bank of Tokyo-Mitsubishi UFJ, Ltd. Primary NY Branch, Federal branch, 1251 Avenue of the Americas, New York, New York, and The Bank of Tokyo-Mitsubishi UFJ, Ltd. Secondary NY Branch, Federal branch, 1221 Avenue of the Americas, New York, New York (collectively, the “New York Branch”), Federal branches of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“Bank”);

**WHEREAS**, prior to November 7, 2017, the New York Branch was licensed and supervised by the New York State Department of Financial Services;

**WHEREAS**, on June 19, 2013, the Bank and the New York Branch agreed to a Consent Order Under New York Banking Law § 44 (“2013 Consent Order”).

**WHEREAS**, on November 18, 2014, the Bank and the New York Branch agreed to a Consent Order Under New York Banking Law §§ 39 and 44 (“2014 Consent Order”);

**WHEREAS**, on October 30, 2017, the Bank filed applications to convert the New York Branch to Federal branch licensees supervised by the OCC;

**WHEREAS**, the OCC approved such conversion applications on November 7, 2017, subject to the condition that the Bank and the New York Branch, within five business days of consummation of the conversion, execute a Stipulation and Consent to the Issuance of a Consent Order agreeing to the issuance of a Consent Order requiring the Bank and the New York Branch to adhere to remedial provisions substantively the same as those in the 2013 Consent Order and the 2014 Consent Order;

**WHEREAS**, the OCC and the Bank consummated the conversion of the New York Branch on November 7, 2017;

**WHEREAS**, effective November 7, 2017, the 2013 Consent Order and 2014 Consent Order, and any related agreements entered into pursuant to the 2013 Consent Order or 2014 Consent Order, are not effective with respect to the Bank and the New York Branch;

**WHEREAS**, in order to satisfy the condition imposed by the OCC in connection with its conditional approval of the Bank's conversion applications, the Bank and the New York Branch, through their duly authorized representative, agreed to execute this Stipulation and Consent to the Issuance of a Consent Order ("Stipulation"), that is accepted by the OCC, through the duly authorized representative of the Comptroller of the Currency ("Comptroller");

**NOW THEREFORE**, in consideration of the above premises, it is stipulated by the Bank and the New York Branch that:

## **ARTICLE I**

### **JURISDICTION**

(1) The New York Branch is an uninsured Federal branch licensed and examined by the OCC pursuant to the International Banking Act of 1978, as amended, 12 U.S.C. § 3101 *et seq.*

(2) The New York Branch is an “insured depository institution” for purposes of 12 U.S.C. § 1818. *See* 12 U.S.C. § 1813(c)(3).

(3) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this cease and desist action against the New York Branch pursuant to 12 U.S.C. § 1818(b).

## **ARTICLE II**

### **CONSENT**

(1) The Bank and the New York Branch, without admitting or denying any wrongdoing, consent and agree to issuance of the accompanying Consent Order (“Order”) by the OCC.

(2) The Bank and the New York Branch consent and agree that the Order shall be deemed an “order issued with the consent of the depository institution” pursuant to 12 U.S.C. § 1818(h)(2), and consent and agree that the Order shall become effective upon issuance by the OCC, through the Comptroller’s duly authorized representative, and shall be fully enforceable by the OCC pursuant to 12 U.S.C. § 1818(i).

(3) Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the OCC may enforce any of the commitments or obligations herein undertaken by the Bank and the New York Branch under its supervisory powers, including 12 U.S.C. § 1818(i),

and not as a matter of contract law. The Bank and the New York Branch expressly acknowledge that neither the Bank nor the New York Branch nor the OCC has any intention to enter into a contract.

(4) The Bank and the New York Branch declare 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 and the New York Branch to consent to the issuance of the Order and/or execute this Stipulation.

(5) The Bank and the New York Branch expressly acknowledge that no officer, employee, or agent of the OCC has statutory or other authority to bind the United States, the United States Treasury Department, the OCC, or any other federal bank regulatory agency or entity, or any officer, employee, or agent of any of those entities to a contract affecting the OCC's exercise of its supervisory responsibilities.

### **ARTICLE III**

#### **WAIVERS**

(1) The Bank and the New York Branch, by executing this Stipulation and consenting to the Order, waive:

- (a) Any and all procedural rights available in connection with the issuance of the Order;
- (b) Any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and (h), and 12 C.F.R. Part 19;
- (c) Any and all rights to seek any type of administrative or judicial review of the Order;

- (d) Any and all claims for fees, costs, or expenses against the OCC, or any of its officers, employees, or agents related in any way to this enforcement matter or the 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;
- (e) Any and all rights to assert this proceeding, this Stipulation, consent to the issuance of the Order, and/or the issuance of the 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
- (f) Any and all rights to challenge or contest the validity of the Order.

#### **ARTICLE IV**

##### **OTHER PROVISIONS**

- (1) Following the execution of the Order and unless the OCC informs the Bank and the New York Branch otherwise in writing with respect to any or all of the subparagraphs below:
  - (a) The Bank is treated as an “eligible foreign bank” pursuant to 12 C.F.R. § 28.12(f)(2) for the purposes of 12 C.F.R. Part 28, Subpart B regarding licensing, supervision, and operations of Federal branches and agencies; and
  - (b) The New York Branch is not in “troubled condition” as defined in 12 C.F.R. § 5.51(c)(7)(ii), and is therefore not subject to the restrictions in 12 C.F.R. § 5.51 requiring prior notice to the OCC of changes in Directors and senior executive officers.

**ARTICLE V**

**CLOSING**

(1) The provisions of this Stipulation and the Order shall not inhibit, estop, bar, or otherwise prevent the OCC from taking any other action affecting the Bank and the New York Branch or their institution-affiliated parties (as defined by 12 U.S.C. § 1813(u)) if, at any time, the Comptroller or his duly authorized representative deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(2) Nothing in this Stipulation or the Order shall preclude any proceedings brought by the OCC to enforce the terms of the Order, and nothing in this Stipulation or the Order constitutes, nor shall the Bank or the New York Branch 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 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 duly authorized representative, has hereunto set his hand on behalf of the Comptroller.

/s/

\_\_\_\_\_  
Vance S. Price  
Deputy Comptroller  
Large Bank Supervision

11/9/17

\_\_\_\_\_  
Date

IN TESTIMONY WHEREOF, the undersigned, Managing Executive Officer and Chief Executive Officer of the Americas of the Bank and the General Manager of the New York Branch, has hereunto set his hand on behalf of the Bank and the New York Branch.

/s/ \_\_\_\_\_  
Stephen Cummings  
General Manager, New York Branch  
Managing Executive Officer and CEO of the Americas  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

11/9/17  
\_\_\_\_\_ Date