

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

)	
In the Matter of:)	
)	
Eastern National Bank)	AA-SO-2018-59
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 Eastern 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 October 25, 2018, 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 him 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

CAPITAL AND STRATEGIC PLANS

- (1) Effective immediately, the Bank shall only declare dividends:
- (a) when the Bank is in compliance with the minimum capital requirements in its strategic plan adopted in accordance with paragraph (2) of this Article;
 - (b) when the Bank is in compliance with 12 U.S.C. §§ 56 and 60; and

- (c) with the prior written approval from the Assistant Deputy Comptroller, following submission by the Bank of current and projected financial data and any other information requested by the Assistant Deputy Comptroller.

(2) Within ninety (90) days of this Order, the Board shall submit to the Assistant Deputy Comptroller for review a written strategic plan for the Bank covering at least a three year period. The strategic plan shall establish objectives for the Bank's overall risk profile, earnings performance, growth, balance sheet mix, concentrations, liability structure, capital adequacy, classified and non-performing asset levels, product line development and market segments that the Bank intends to promote or develop, together with strategies to achieve those objectives and shall, at a minimum, include:

- (a) a mission statement that forms the framework for the establishment of strategic goals and objectives;
- (b) an assessment of the Bank's present and future operating environment;
- (c) the development of strategic goals and objectives to be accomplished over the short and long term;
- (d) an identification of the Bank's present and future product lines (assets and liabilities) that will be utilized to accomplish the strategic goals and objectives established in (2)(c) of this Article;
- (e) an evaluation of the Bank's internal operations, staffing requirements, board and management information systems, and policies and procedures for their adequacy and contribution to the accomplishment of the goals and objectives developed under (2)(c) of this Article;

- (f) a succession program to promote the retention and continuity of capable senior management and board members;
- (g) product line development and market segments that the Bank intends to promote or develop;
- (h) concentration limits for each major line of business that reflect the Board's objectives and limitations for the Bank's risk profile, and a process to incorporate the results of portfolio level stress testing into capital planning;
- (i) an action plan to accomplish identified strategic goals and objectives, including individual responsibilities, accountability and specific time frames;
- (j) a financial forecast to include projections for major balance sheet and income statement accounts and desired financial ratios over the period covered by the strategic plan;
- (k) an evaluation of the Bank's current risk profile, and control systems to mitigate risks associated with planned new products, growth, or any proposed changes in the Bank's operating environment;
- (l) specific plans to establish responsibilities and accountability for the strategic planning process, new products, growth goals, or proposed changes in the Bank's operating environment;
- (m) minimum capital requirements and projections for liquidity requirements based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, and off-balance sheet activities; and
- (n) systems to monitor the Bank's progress in meeting the plan's goals and objectives.

(3) Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Board shall immediately implement and thereafter ensure adherence to the Bank's strategic plan.

(4) The Board shall review and update the strategic plan at least annually and more frequently if required by the Assistant Deputy Comptroller in writing. Revisions to the Bank's written strategic plan shall be submitted to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection, and the Board shall immediately thereafter implement and thereafter ensure adherence to the revised strategic plan.

(5) The Bank must give the Assistant Deputy Comptroller at least sixty (60) days' advance, written notice of its intent to deviate significantly from the strategic plan, including deviations through updates to the plan.

(a) For purposes of this Article, changes that may constitute a significant deviation from the strategic plan include, but are not limited to, any significant deviations from marketing strategies, marketing partners, acquisition channels; underwriting practices and standards, account management strategies and test programs; collection strategies, partners or operations; fee structure, pricing, or fee application methods; accounting processes and practices; funding strategy; or any other changes in personnel, operations or external factors that may have a material impact on the Bank's operations or financial performance.

(b) Prior to making any changes that significantly deviate from the Bank's strategic plan, the Board shall perform an evaluation of the adequacy of the Bank's organizational structure, staffing, management information

systems, internal controls and written policies and procedures to identify, measure, monitor, and control the risks associated with the product or service. The evaluation shall include an assessment of the impact of such change on the Bank's condition, including a profitability analysis.

(6) If the Bank fails to submit an acceptable strategic plan as required by Paragraph (2) of this Article, fails to implement or adhere to a strategic plan to which the Assistant Deputy Comptroller has taken no supervisory objection pursuant to Paragraph (5) of this Article, or fails to achieve and maintain the minimum capital requirements included in the strategic plan, then, in the sole discretion of the Assistant Deputy Comptroller and within thirty (30) days of receiving written notice from the OCC of such fact, the Bank shall develop and submit to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection, a Disposition Plan to either: (i) sell or merge the Bank, or (ii) liquidate the Bank in conformance with 12 U.S.C. § 181.

ARTICLE III

BOARD OVERSIGHT, MANAGEMENT AND STAFFING

(1) Within sixty (60) days, the Board shall complete a written assessment of the Board's strengths and weaknesses along with a director education program designed to strengthen identified weaknesses, which shall at a minimum include training on sound risk management practices. Upon adoption of this plan, the Bank shall provide a copy to the Assistant Deputy Comptroller.

(2) Effective immediately, the Board shall maintain qualified individuals in the previously

vacant management positions identified in the Report of Examination for an examination of the Bank dated December 31, 2017 (“2018 ROE”). If any of these positions becomes vacant in the future, the Board shall take prompt action to identify a replacement and fill the vacant position within ninety (90) days.

ARTICLE IV

CREDIT UNDERWRITING AND ADMINISTRATION

(1) Within ninety (90) days, the Board shall adopt, implement, and ensure adherence to a commercial credit administration program that requires all commercial loans \$250,000 and greater to receive a credit review at least annually. The plan shall provide for adequate staffing to complete the reviews in a timely manner and a process for tracking and ensuring completion of reviews, including but not limited to quarterly reporting on the status and timeliness of annual reviews to the Board or a designated Board committee.

(2) Within ninety (90) days, the Board shall adopt, implement and thereafter ensure adherence to a credit underwriting program which shall, at a minimum, require the following before the Bank may grant, extend, renew, alter or restructure any loan or other extension of credit above \$50,000:

- (a) documenting the specific reason or purpose for the extension of credit;
- (b) identifying the expected source of repayment in writing;
- (c) structuring the repayment terms to coincide with the expected source of repayment;
- (d) establishing criteria for when the Bank will exercise “on demand” clauses;
- (e) obtaining current and satisfactory credit information, including

- performing and documenting analysis of credit information and a detailed cash flow analysis of all expected repayment sources;
- (f) requirements for who will obtain credit information and perform credit analysis at both origination and renewal;
 - (g) determining and documenting whether the loan complies with the Bank's loan policies and if it does not comply, providing identification of the exception and ample justification to support waiving the policy exception;
 - (h) making and documenting the determinations regarding the customer's ability to repay the credit on the proposed repayment terms; and
 - (i) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable.

ARTICLE V

BSA PROGRAM AND GOVERNANCE

(1) Effective as of the date of this Order, the Board shall ensure that it maintains a comprehensive, written program designed to ensure that the Bank complies with the Bank Secrecy Act, as amended (31 U.S.C. § 5311, *et seq.*), the regulations promulgated thereunder at 31 C.F.R. Part 1020, as amended, and 12 C.F.R. Part 21, Subparts B and C, the rules and regulations of the Office of Foreign Assets Control and relevant Executive Orders ("OFAC") (collectively referred to as the "BSA and OFAC" or "BSA/OFAC") for the Bank, and that incorporates the substantive requirements of Articles V through X of this Order.

(2) Within ninety (90) days of this Order, the Board shall adopt, implement, and thereafter adhere to a comprehensive program to ensure effective due diligence and BSA/OFAC

risk management processes prior to entering into, or significantly expanding, any new products, services, significant relationships, or lines of business.

(3) Within ninety (90) days of this Order, the Bank shall adopt, implement and thereafter adhere to a comprehensive program to ensure that, prior to entering into any new foreign correspondent account relationship, the Board and management perform appropriate expanded due diligence in accordance with Article IX of this Order.

(4) Upon adoption of the programs required by paragraphs (2) and (3) of this Article, the Board shall provide a copy to the Assistant Deputy Comptroller.

ARTICLE VI

SUSPICIOUS ACTIVITY AND OFAC REVIEW

(1) Within thirty (30) days of this Order, the Board shall prepare, and submit to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection, a written report on the Bank's identification and reporting of suspicious activity and compliance with relevant Executive Orders and Office of Foreign Assets Control ("OFAC") sanctions ("Look-Back"). The scope of the Look-Back shall include a review of the following to determine whether there was any activity that was unusual or suspicious: (a) all transactions for the period covering January 1, 2017 through November 30, 2017 processed for the Bank's largest foreign correspondent banking relationship maintained during 2017; (b) all wires greater than \$1 million processed from January 1, 2017 through June 30, 2018; and (c) the ten account relationships identified by the OCC to Bank management during the OCC examination that began on or about March 27, 2018, for which there was insufficient customer due diligence information. The scope of the Look-Back shall also include a review of all transactions

processed for the Bank's largest foreign correspondent banking relationship maintained during 2017 to determine whether any transactions were processed in contravention to any Executive Orders to be identified in writing by the OCC. The Look-Back report shall describe the methodologies and tools used in conducting the review, describe the process followed for investigating customers and customer activities, and provide a summary of the number and types of customers and accounts reviewed.

(2) Upon completing the Look-Back review, the Board shall promptly ensure that the Bank files, or modifies, as appropriate, any Suspicious Activity Reports ("SARs") in accordance with the requirements of 12 C.F.R. § 21.11, and coordinates with OFAC on the findings of its review of transactions for compliance with Executive Orders to be identified in writing by the OCC. The number of SARs filed or amended, as well as any corrective actions that result from the Bank's coordination with OFAC shall be included in the Look-Back report submitted to the Assistant Deputy Comptroller for his prior written determination of no supervisory objection.

(3) Based upon the results of the Look-Back, the OCC may require an expanded review of the Bank's accounts, transactions, or alerts. If the OCC requires such an expanded review, the Board shall complete the review in accordance with the terms of this Article.

ARTICLE VII

BSA OFFICER AND STAFFING

(1) The Board shall ensure that the Bank has a permanent, qualified, and experienced BSA Officer who shall be vested with sufficient authority to fulfill the duties and responsibilities

of the position. In the event that the position is vacated, the Board shall appoint a new BSA Officer within ninety (90) days of the vacancy according to the requirements of this Article.

(2) Prior to the appointment of any individual to the BSA Officer position, the Board shall submit to the Assistant Deputy Comptroller the following information:

- (a) the information sought in the “Changes in Directors and Senior Executive Officers” and “Background Investigations” booklets of the Comptroller's Licensing Manual, together with a legible fingerprint card for the proposed individual;
- (b) a written statement of the Board's reasons for selecting the proposed officer; and,
- (c) a written description of the proposed officer's duties and responsibilities.

(3) The Assistant Deputy Comptroller shall have the power to disapprove the appointment of any proposed new BSA Officer. The requirement to submit information and the prior disapproval provisions of this paragraph are based on the authority of 12 U.S.C.

§ 1818(b)(6)(E) and do not require the Assistant Deputy Comptroller to complete his review and act on any such information within ninety (90) days. The lack of disapproval of such individual shall not constitute an approval or endorsement of the proposed BSA Officer.

(4) The Board shall ensure that the Bank has sufficient BSA staff with appropriate skills that are needed to support the BSA Officer and the Bank's BSA/OFAC compliance function and that they are vested with sufficient authority to fulfill their respective duties and responsibilities.

(5) Within one hundred eighty (180) days of this Order, and no less than annually thereafter, the Board shall review the adequacy of the Bank's BSA Officer and supporting staff,

and shall document its determination(s) in writing. The review shall evaluate and consider, as appropriate, the effectiveness of the Bank's BSA program, as well as the leadership, knowledge, training, and skills of the BSA Officer and staff, and appropriate staffing levels for the BSA/OFAC compliance function considering the size, complexity, and BSA risk profile of the Bank, including anticipated risks from new or expanded lines of business, products and services. The Board shall promptly take action to correct any deficiencies identified following each review.

ARTICLE VIII

BSA PROGRAM OF INTERNAL CONTROLS

- (1) Within ninety (90) days of this Order, the Board shall revise, adopt, implement and thereafter ensure adherence to a comprehensive written program of internal control policies and procedures to provide for compliance with the BSA and OFAC that appropriately monitors for and reports suspicious activity and ensures transactions are processed in accordance with all executive orders and OFAC sanctions. At a minimum, the Bank's internal controls must include:
 - (a) procedures for periodically updating the Bank's BSA and OFAC risk assessment to cover the risks associated with current, or subsequently proposed, Bank products, services, customers, entities, and geographies served, and including the dollar volume, number, and countries associated with Bank products, services, customers and transactions;
 - (b) guidelines for assessing and distinguishing levels of customer and account risk and for the identification of current customers and accounts exhibiting high risk characteristics;

- (c) designated responsibility for ensuring the Bank updates monitoring systems to ensure ongoing compliance with all new executive orders and OFAC sanctions;
- (d) procedures to ensure the application 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) requirements that any changes to thresholds are approved at the senior management level and periodically reported to the Board;
 - (iv) requirements that documentation of any changes to the filtering thresholds is maintained and available to auditors and OCC examiners;
- (e) requirements for periodic independent third-party validation of the models and filtering thresholds used for the BSA and OFAC monitoring systems in order to ensure that all accounts and transactions are captured and the systems are adequate to detect potentially suspicious or sanctioned activity;

- (f) procedures for ensuring the Bank maintains accurate and complete records on wire transfers and other transactions that identifies and reports 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; and
 - (iv) receipt and disbursement of wire transfers, currency, or book entry transfers that are suspicious or inconsistent with the customers' risk profile, business, or source of income or wealth;
- (f) requirements for periodic mapping of the BSA and OFAC monitoring systems to ensure all accounts and transactions are captured for suspicious activity monitoring and OFAC sanctions and reporting;
- (g) 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 BSA, including timely, well-documented dispositions of alerts generated by the automated monitoring systems; and
- (h) procedures to ensure the accurate and timely filing of currency transaction reports ("CTRs") and SARs.

ARTICLE IX

CUSTOMER AND ENHANCED DUE DILIGENCE

(1) Within ninety (90) days of this Order, the Board shall develop, implement, 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, renewing or modifying existing accounts, and when events indicate information is missing or activity does not match customer profile. 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 develops an accurate customer risk profile, and shall include:

- (a) assigned accountability and oversight for account opening and review, including provisions for BSA Officer or BSA manager involvement in decisions to open higher-risk accounts;
- (b) procedures to ensure that account opening representatives and relationship managers obtain, document, and verify complete initial information at account opening or modification to understand the nature and purpose of the customer relationship, develop an accurate customer risk profile, and comply with 31 C.F.R. § 1020.220;
- (c) procedures and policies for correspondent banking accounts to ensure that the Bank has sufficient documented information to comply with 31 C.F.R. § 1010.610(a), appropriately risk rate the account, ensure that required due diligence is recorded in the Bank’s automated monitoring system, and monitor the account to ensure activity conforms to expectations, including but not limited to information on anticipated and actual transaction volume and services involved;

- (d) policies and procedures for the proper administration and monitoring of accounts utilizing Automated Clearing House (“ACH”) and Remote Deposit Capture (“RDC”) transactions, to include:
 - (i) the establishment of appropriate individual ACH and RDC transaction limits;
 - (ii) determination of anticipated ACH and RDC transaction and dollar volumes, and type (e.g., payroll checks, third-party checks, or traveler’s checks);
 - (iii) comparison of projected activity to actual activity and ensuring results are reasonable and consistent; and
 - (iv) ensuring the transparency of underlying individual transactions;
- (e) an appropriate methodology for assigning accurate risk levels to the Bank’s customer base that assesses relevant factors including products, services, customers, entities, transactions, volumes, and geographic locations;
- (f) procedures to ensure accounts are accurately risk-rated and EDD performed is appropriate;
- (g) detailed specifications of the EDD information that 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;
 - (xi) the results of the use of non-documentary verification tools and screening technology and internet searches for BSA and OFAC concerns commensurate with industry standards on the business, authorized signers, principal owners, and beneficial owners;
 - (xii) copies of any business license, corporate resolution, or other relevant operating information; and
 - (xiii) explanations for changes in account activity;
- (h) guidelines for when an account may not be opened that address circumstances where information is insufficient or incomplete, and where

risk is excessive in relation to customer activities, geographies, transactions, and products and services;

- (i) policies and procedures to ensure CDD includes ongoing monitoring to identify and report suspicious transactions and, on a risk basis, to maintain and update customer information as defined in 31 C.F.R. § 1020.210(b)(5), which shall include procedures for updating customer information and reassessing the customer risk rating when monitoring or other personnel identify gaps or customer-provided information is inconsistent with actual account activity;
- (j) training for those involved in account opening and monitoring to ensure they are knowledgeable about Bank risk tolerance, required account opening information and verification thereof, and investigating and assessing customer BSA risk;
- (k) periodic assessments by the BSA Officer of the effectiveness of the Bank's CDD, EDD, and monitoring activities, alert clearing and timely, corrective action to address weaknesses identified in such assessments, in the Bank's audit, or in any report of examination or supervisory communication; and
- (l) a quarterly review and report to the Board on all foreign correspondent banking account relationships, including the adequacy of expanded due diligence performed, an analysis of account activity and volume, the types of accounts and services involved, and the impact on the Bank.

ARTICLE X

SUSPICIOUS ACTIVITY MONITORING, INVESTIGATION, AND REPORTING

(1) Within ninety (90) days of this Order, the Board shall develop, implement, and thereafter ensure Bank adherence to a written program of policies and procedures to provide for the appropriate identification, analysis, monitoring of all accounts and transactions and filing timely and appropriate Suspicious Activity Reports (“SARs”). This program shall include, at a minimum, policies and procedures and the use of management information systems for monitoring accounts and transactions and reporting of suspicious activity, including:

- (a) timely identification and monitoring of account activity, including:
 - (i) employee identification and referral of potentially suspicious activity;
 - (ii) handling of law enforcement inquiries and requests;
 - (iii) use of automated systems; and
 - (iv) use of alternative monitoring systems for account activity that cannot be adequately monitored using the existing automated system;
- (b) systems for the inclusion of business and consumer remote deposit capture transactional activity in the Bank’s monitoring for suspicious activity;
- (c) systems for scoring alerts that provides work flow priorities and ensures timely investigation and resolution of alerts;
- (d) procedures for conducting the review of alerts and other customer or account follow-up research and investigation, and the standards for documenting the conclusions of such review and follow-up;

- (e) maintenance of an accurate and complete list of higher-risk customers using:
 - (i) CDD/EDD information, including normal and expected account activity;
 - (ii) the Bank's customer risk rating system; and
 - (iii) automated systems;
- (f) a requirement for a detailed periodic review (no less than annually) of each higher-risk account that includes updating all relevant customer information to ensure customer profiles remain accurate and current, to include all information listed in Article IX, paragraph (1), and:
 - (i) the name of the customer;
 - (ii) the officers, directors, and major shareholders of any corporate customer, and the partners of any partnership customer;
 - (iii) any other accounts maintained by the customer and, as applicable, its officers, directors, major shareholders, or partners;
 - (iv) any related accounts of the customer at the Bank, where "related" is defined in the broadest way possible;
 - (v) any action the Bank has taken on the account;
 - (vi) the purpose and balance of the account;
 - (vii) any changes in business activity to include, at a minimum, expansion into new geographies, new products and services, and growth; and

- (viii) any unusual activity for each account or any significant deviations from expected activity as set forth in the Bank's CDD and EDD file; and
- (g) ongoing updates to customer profiles to include updating of current information;
- (h) internal controls and processes to ensure compliance with the requirements to file SARs as set forth in 12 C.F.R. § 21.11 and that includes:
 - (i) a thoroughly documented investigation processes, including key dates until disposition;
 - (ii) the filing of SARs when observed activity is inconsistent with the customer's profile and is not satisfactorily explained after investigation;
 - (iii) sufficient information on its SAR filings to the Board or an appropriate committee thereof, except that a SAR filing on a Board member or executive officer shall not be disclosed to that person in accordance with 12 C.F.R. § 21.11(h)(2);
 - (iv) retention of SARs and supporting documentation for five (5) years from the date of filing the SAR; and
- (i) policies and procedures for the appropriate review and documented determination of whether to close an account or any related account after two or more SARs are filed.

ARTICLE XI

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) 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.

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

(5) 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.

(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 law, regulation or 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 25 day of October, 2018.

/s/

Brett B. Bouchard
Assistant Deputy Comptroller
Miami Field Office

10/25/2018

Date

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

)	
In the Matter of:)	
)	
Eastern National Bank)	AA-SO-2018-59
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 Eastern National Bank, Miami, Florida (“Bank”), pursuant to 12 U.S.C. § 1818(b), for violations of 12 C.F.R. §§ 21.21 and 31 C.F.R. § 1010.610, and unsafe and unsound banking practices related to credit administration and board and management supervision.

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 (“Order”) by the Comptroller.

(2) The Bank consents and agrees that said 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 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.

(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 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.

(6) The terms and provisions of the Stipulation and the Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Stipulation or the Order, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Stipulation or the Order.

ARTICLE III

WAIVERS

- (1) The Bank, by signing this Stipulation and consenting to the 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 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 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 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 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
- (g) any and all rights to challenge or contest the validity of the Order.

ARTICLE IV

CLOSING

(1) The provisions of this Stipulation and the 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 Order shall preclude any proceedings brought by the Comptroller to enforce the terms of the Order, and nothing in this Stipulation or the 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 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 his hand on behalf of the Comptroller.

/s/

Brett B. Bouchard
Assistant Deputy Comptroller
Miami Field Office

10/25/2018

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.

<u>/s/</u> Ceasar A. Gomez Valero	<u>10/25/2018</u> Date
<u>/s/</u> Gustavo Macias	<u>10/25/18</u> Date
<u>/s/</u> Keith Parker	<u>10/25/2018</u> Date
<u>/s/</u> Gabina Rodriguez	<u>10/25/2018</u> Date
<u>/s/</u> Carlos D. Rodriguez	<u>10/25/2018</u> Date