

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

In the Matter of:

Eastern National Bank
Miami, Florida

AA-EC-2025-04

CONSENT ORDER

WHEREAS, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over Eastern National Bank, Miami, Florida (“Bank”);

WHEREAS, the Bank consented to the issuance of a Consent Order on November 19, 2020, AA-EC-2020-46 (“2020 Order”), for unsafe or unsound banking practices related to the Bank’s board and management supervision, executive officer and board compensation, enterprise governance, and for continuing violations of 12 C.F.R. § 21.21;

WHEREAS, the OCC has determined that the Bank is not in compliance with Article IV (Capital and Strategic Planning) of the 2020 Order;

WHEREAS, the OCC intends to initiate cease-and-desist proceedings against the Bank pursuant to 12 U.S.C. § 1818(b), through the issuance of a Notice of Charges, for engaging in unsafe or unsound practices, including those relating to strategic and capital planning, earnings, and board and management supervision; and

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, by and through its duly elected and acting Board of Directors (“Board”), consents to the issuance of this Consent Order (“Order”), which is intended to replace and supersede the 2020 Order, by the

OCC through the duly authorized representative of the Comptroller of the Currency (“Comptroller”); and

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

JURISDICTION

(1) The Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) The Bank is a national banking association within the meaning of 12 U.S.C. § 1813(q)(1)(A), and is chartered and examined by the OCC. *See* 12 U.S.C. § 1 *et seq.*

(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 Bank pursuant to 12 U.S.C. § 1818(b).

ARTICLE II

COMPTROLLER’S FINDINGS

The Comptroller finds, and the Bank neither admits nor denies, the following:

(1) The Bank is in noncompliance with Article IV (Capital and Strategic Planning) of the 2020 Order;

and

(2) The Bank is engaging and has engaged in unsafe or unsound practices, including those relating to strategic and capital planning, earnings, and board and management supervision.

ARTICLE III

COMPLIANCE COMMITTEE

(1) The Board shall maintain a Compliance Committee of at least three (3) members, of which a majority shall be directors who are not employees or officers of the Bank or any of its affiliates or subsidiaries. In the event of a change of the membership, within ten (10) days thereof, the Board shall submit the name of any new or resigning committee member in writing to the Director for Special Supervision (“Director”). The Compliance Committee shall be responsible for monitoring and coordinating the Bank’s adherence to the provisions of this Order.

(2) The Compliance Committee shall meet at least quarterly.

(3) Within thirty (30) days of the date of this Order and quarterly thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

- (a) a description of the action needed to achieve compliance with each Article of this Order, Bank personnel responsible for implementing the corrective actions, and timeframes for completion;
- (b) actions taken to comply with each Article of this Order; and
- (c) the results and status of those actions.

(4) The Board shall forward a copy of the Compliance Committee’s report, with any additional comments by the Board, on a quarterly basis, to the Director within ten (10) days of receiving such report or within such other time period as the Director may require in writing.

ARTICLE IV

MANAGEMENT, STAFFING AND BOARD MEMBERSHIP

(1) Within ninety (90) days of the date of this Order, the Board shall adopt a written management and staffing program (“Staffing Program”) designed to maintain sufficient

effective, qualified management and staff in place on a permanent and full-time basis, and shall include succession planning. The Staffing Program shall be designed to ensure that the Bank maintains at a minimum, the positions of Chief Executive Officer, President, Chief Financial Officer, Chief Lending or Credit Officer and that these positions are vested with sufficient authority to fulfill the duties and responsibilities of each position, carry out the Board's policies, ensure Bank adherence to safe and sound corporate governance and decision-making processes, ensure Bank compliance with this Order and applicable laws, rules and regulations, and manage and operate the day-to-day operations of the Bank in a safe and sound manner. The Staffing Program shall also be designed to ensure that the Bank has defined all essential functions, staffed those functions, and designated a successor for each position responsible for each essential function. The Board shall provide the Staffing Program to the Director within five (5) days of adoption. Thereafter, management shall implement, and the Board shall verify adherence to the Board's Staffing Program.

(2) Within one hundred and eighty (180) days of the date of this Order, and annually thereafter, or when requested by the Director in writing, the Board shall review and evaluate the capabilities of the Bank's management to perform present and anticipated duties and make a written determination of whether any management changes are to be made, including the need for the replacement of, additions to, or any other changes, to management.

(3) Within thirty (30) days of the date of this Order, the Board shall adopt a written Board program designed to ensure the Board has, and thereafter maintains at all times, membership of no less than five directors, in compliance with 12 C.F.R. § 71a.

(4) If the Bank is in troubled condition or is otherwise subject to the prior notice requirements in 12 C.F.R. § 5.51, and if any senior executive officer position (as defined in 12

C.F.R. § 5.51(c)(4)), is vacant now or in the future, or if the Board has less than five members, the Board shall within fifteen (15) days of the date of this Order or the date of the future vacancy, identify an effective, qualified, candidate for the position or Board vacancy. The Board shall comply with the prior notice requirements of 12 U.S.C. § 1831i and 12 C.F.R. § 5.51 when selecting an individual to serve in any senior executive officer position or as a member of the Board.

ARTICLE V

CAPITAL AND STRATEGIC PLANNING

(1) Effective as of the date of this Order, the Bank shall achieve and thereafter maintain the following capital ratios as defined in and as calculated in accordance with 12 C.F.R. Part 3:

- (i) tier 1 capital to adjusted total assets at least equal to eight (8%); and
- (ii) total risk-based capital to risk-weighted assets at least equal to eleven percent (11%).

(2) Notwithstanding any existing or future election to use the community bank leverage ratio (“CBLR”) framework under 12 C.F.R § 3.12, the Bank is subject to the minimum capital levels prescribed in paragraph (1) of this Article pursuant to the OCC’s authority to impose affirmative corrective actions pursuant to 12 U.S.C. § 1818(b)(6) and must demonstrate compliance with these requirements by completing Schedule RC-R to the Consolidated Reports of Condition and Income in accordance with the instructions for Banks that have not made the CBLR election in addition to Schedule RC-R, CBLR.

(3) The requirement in this Order to meet and maintain a specific capital level for any

capital measure means that the Bank may not be deemed to be “well capitalized” for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6, pursuant to 12 C.F.R. § 6.4(c)(1)(v).¹

- (4) The Bank may declare or pay a dividend or make a capital distribution only:
 - (a) when the Bank is in compliance with the minimum capital ratios required by paragraph (1) of this Article, and would remain in compliance immediately following the declaration or payment of any dividend or capital distribution;
 - (b) when the dividend or capital distribution would comply with 12 U.S.C. §§ 56, 60 and 1831o(d)(1) and 12 C.F.R. § 3.11(a)(4) and all other applicable laws, regulations, and executive orders; and
 - (c) following the Director’s prior written determination of no supervisory objection to the dividend or capital distribution.

(5) The Bank’s capital planning process shall be consistent with safe and sound practices and ensure the integrity, objectivity, and consistency of the process through adequate governance. Refer to the “Capital and Dividends” booklet of the *Comptroller’s Handbook*. The Board shall document the initial capital planning process and thereafter review and document the capital planning process at least annually or more frequently, if appropriate, or if required by the Director in writing.

(6) Within forty-five (45) days of the date of this Order, the Board shall submit to the Director for review and prior written determination of no supervisory objection, an acceptable written Capital and Strategic Plan for the Bank, covering at least a two-year period (“Capital and Strategic Plan”).

¹ The Bank may not solicit, accept, renew, or roll over any brokered deposit (as defined in 12 C.F.R. § 337.6(a)(2)) except in compliance with the applicable restrictions of 12 U.S.C. § 1831f and 12 C.F.R. § 337.6.

(7) The Capital and Strategic Plan shall establish a specific plan for the Bank's sale or recapitalization, and shall also include the development of objectives for the Bank's overall risk profile, financial condition, funding structure, balance sheet composition and capital levels, together with strategies to achieve those objectives, to include at a minimum:

- (a) a mission statement that forms the framework for the establishment of strategic goals and objectives;
- (b) the strategic goals and objectives to be accomplished, including key financial indicators and risk tolerances;
- (c) an evaluation of Bank personnel compensation, employee stock option plans, and other benefits, including a determination about the cost-effectiveness and impact of such compensation and benefits on the Bank's efforts to sell or recapitalize;
- (d) a realistic and comprehensive budget that corresponds to the Capital and Strategic Plan's goals and objectives;
- (e) a financial forecast to include projections for major balance sheet and income statement accounts and desired financial ratios over the period covered by the Capital and Strategic Plan;
- (f) specific plans for the maintenance of adequate capital that may in no event be less than the requirements of paragraph (1) of this Article;
- (g) a detailed description and assessment of major capital expenditures required to achieve the goals and objectives of the Capital and Strategic Plan;
- (h) an identification and prioritization of prospects and opportunities,

including timeframes to executive a definitive agreement to sell or recapitalize the Bank and comply with the requirements of this Order;

- (i) assigned roles, responsibilities, and accountability for capital and strategic planning; and
- (j) a description of systems and metrics designed to monitor the Bank's progress in meeting the Capital and Strategic Plan's goals and objectives.

(8) The Bank's written Capital and Strategic Plan shall identify the steps and the associated timeline to ensure that within one-hundred and eighty (180) days of the receipt of the Director's written determination of no supervisory objection to the Capital and Strategic Plan, the Bank executes a definitive agreement to sell or recapitalize the Bank, through the sale of a majority of the Bank's outstanding shares and change in the control of the Bank.

(9) Prior to adoption by the Board, a copy of the Capital and Strategic Plan, and any subsequent amendments, revisions, or updates shall be submitted to the Director for prior written determination of no supervisory objection. At the next Board meeting following receipt of the Director's written determination of no supervisory objection, the Board shall adopt and Bank management, subject to Board review and ongoing monitoring, shall immediately implement and ensure adherence to the Capital and Strategic Plan and any amendments or revisions thereto.

(10) Until the Capital and Strategic Plan required under this Article has been submitted by the Bank for the Director's review, has received a written determination of no supervisory objection from the Director and has been adopted by the Board, the Bank shall not significantly deviate from the products, services, asset composition and size, funding sources, structure, operations, policies, procedures, and markets of the Bank that existed immediately before the effective date of this Order without first obtaining the Director's prior written determination of

no supervisory objection to such significant deviation.

(11) The Board shall review the effectiveness of the Capital and Strategic Plan at least monthly, including its progress toward a sale of the Bank or a majority of its outstanding shares, and amend the Capital and Strategic Plan as needed or directed by the OCC. The Board shall provide an assessment of the effectiveness of the Capital and Strategic Plan to the OCC, along with any proposed amendments within ten (10) days of each month end. Any amendment to the Capital and Strategic Plan, and any significant deviation from the Capital and Strategic Plan, must be submitted to the Director for review and prior written determination of no supervisory objection.

(12) If the Bank fails to achieve and maintain the minimum capital requirements in paragraph (1) of this Article, fails to submit an acceptable written Capital and Strategic Plan as required by paragraph (6) of this Article, or fails to implement or adhere to a Capital and Strategic Plan to which the Director has provided a written determination of no supervisory objection pursuant to paragraph (9) of this Article (this includes but is not limited to, a failure to implement and adhere to the Capital and Strategic Plan provision for the Bank to execute a definitive agreement to sell or recapitalize the Bank within the time frame described in paragraph (8) of this Article), then the Director may, at their discretion, deem the Bank to be undercapitalized for purposes of this Order and the Bank shall take such corrective measures as the OCC may direct in writing from among the provisions applicable to undercapitalized depository institutions under 12 U.S.C. § 1831o(e) and 12 C.F.R. Part 6. For purposes of this requirement, an action “necessary to carry out the purpose of this section” under 12 U.S.C. § 1831o(e)(5) shall include restoration of the Bank’s Tier 1 capital to the minimum levels required by this Order, and any other action deemed advisable by the OCC to address the Bank’s capital

deficiency or the safety and soundness of its operations.

(13) For any plans or actions taken by the Bank that relate to this Article or otherwise involve the restoration of capital, Bank management, subject to Board review and monitoring, shall ensure such plans or actions comply with all laws, regulations, and executive orders, and that any necessary authorizations are obtained from any relevant Federal government agencies.

ARTICLE VI

GENERAL BOARD RESPONSIBILITIES

(1) The Board shall ensure that the Bank has timely adopted and implemented all corrective actions required by this Order, and shall verify that the Bank adheres to the corrective actions and they are effective in addressing the Bank's deficiencies that resulted in this Order.

(2) In each instance in which this Order imposes responsibilities upon the Board, it is intended to mean that the Board shall:

- (a) authorize, direct, and adopt corrective actions on behalf of the Bank as may be necessary to perform the obligations and undertakings imposed by this Order;
- (b) ensure the Bank has sufficient processes, management, personnel, control systems, and corporate and risk governance to implement and adhere to all provisions of this Order;
- (c) require that Bank management and personnel have sufficient training and authority to execute their duties and responsibilities pertaining to or resulting from this Order;
- (d) hold Bank management and personnel accountable for executing their duties and responsibilities pertaining to or resulting from this Order;

- (e) require appropriate, adequate, and timely reporting to the Board by Bank management of corrective actions directed by the Board to be taken under the terms of this Order; and
- (f) address any noncompliance with corrective actions in a timely and appropriate manner.

ARTICLE VII

WAIVERS

- (1) The Bank, by executing and consenting to this Order, waives:
 - (a) any and all rights to the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818;
 - (b) any and all procedural rights available in connection with the issuance of this Order;
 - (c) any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818 and 12 C.F.R. Part 19;
 - (d) any and all rights to seek any type of administrative or judicial review of this Order;
 - (e) 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 this 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 these proceedings, the consent to and/or the issuance of this Order, as the basis for a claim of double jeopardy in any

pending or future proceedings 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 this Order.

ARTICLE VIII

OTHER PROVISIONS

(1) As a result of this Order, pursuant to 12 C.F.R. § 5.51(c)(7)(ii), the Bank is in “troubled condition,” and is not an “eligible bank” for purposes of 12 C.F.R. § 24.2(e) unless otherwise informed in writing by the OCC.

(2) This Order supersedes all prior OCC communications issued pursuant to 12 C.F.R. §§ 5.3, 5.51(c)(7)(ii), and 24.2(e)(4).

ARTICLE IX

CLOSING

(1) This Order is a settlement of the cease and desist proceedings against the Bank contemplated by the OCC, based on the unsafe or unsound practices described in the Comptroller’s Findings set forth in Article II of this Order. The OCC releases and discharges the Bank from all potential liability for a cease and desist order that has been or might have been asserted by the OCC based on practices described in Article II of this Order, to the extent known to the OCC as of the effective date of this Order. The OCC expressly reserves its right to assess civil money penalties or take other enforcement actions if the OCC determines that the Bank has continued, or failed to correct, the practices described in Article II of this Order or that the Bank otherwise is violating or has violated this Order.

(2) Nothing in this Order shall prevent the OCC from:

- (a) instituting enforcement actions other than a cease-and-desist order against the Bank based on the Comptroller's Findings set forth in Article II of this Order;
- (b) instituting enforcement actions against the Bank based on any other findings, including if the OCC determines that the Bank has continued, or failed to correct, the practices described in Article II of this Order or that the Bank otherwise is violating or has violated this Order;
- (c) instituting enforcement actions against institution-affiliated parties (as defined by 12 U.S.C. § 1813(u)) based on the Comptroller's Findings set forth in Article II of this Order, or any other findings; or
- (d) utilizing the Comptroller's Findings set forth in Article II of this Order in future enforcement actions against the Bank or its institution-affiliated parties to establish a pattern or the continuation of a pattern.

(3) Nothing in this Order is 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.

(4) This Order is:

- (a) a "cease-and-desist order issued upon consent" within the meaning of 12 U.S.C. § 1818(b);
- (b) a "cease-and-desist order which has become final" within the meaning of 12 U.S.C. § 1818(e);

- (c) an “order issued with the consent of the depository institution” within the meaning of 12 U.S.C. § 1818(h)(2);
- (d) an “effective and outstanding . . . order” within the meaning of 12 U.S.C. § 1818(i)(1); and
- (e) a “final order” within the meaning of 12 U.S.C. § 1818(i)(2) and (u).

(5) This Order is effective upon its issuance by the OCC, through the Comptroller’s duly authorized representative. Except as otherwise expressly provided herein, all references to “days” in this Order shall mean calendar days and the computation of any period of time imposed by this Order shall not include the date of the act or event that commences the period of time.

(6) The provisions of this Order shall remain effective except to the extent that, and until such time as, such provisions are amended, suspended, waived, or terminated in writing by the OCC, through the Comptroller’s duly authorized representative. If the Bank seeks an extension, amendment, suspension, waiver, or termination of any provision of this Order, the Board or a Board-designee shall submit a written request to the Director asking for the desired relief. Any request submitted pursuant to this paragraph shall include a statement setting forth in detail the circumstances that warrant the desired relief or prevent the Bank from complying with the relevant provision(s) of the Order, and shall be accompanied by relevant supporting documentation. The OCC’s decision concerning a request submitted pursuant to this paragraph, which will be communicated to the Board in writing, is final and not subject to further review.

(7) The Bank will not be deemed to be in compliance with this Order until it has adopted, implemented, and adhered to all of the corrective actions set forth in each Article of this Order; the corrective actions are effective in addressing the Bank’s deficiencies; and the OCC

has verified and validated the corrective actions. An assessment of the effectiveness of the corrective actions requires sufficient passage of time for the Bank to demonstrate the sustained effectiveness of the corrective actions.

(8) This Order is not a contract binding on the United States, the United States Treasury Department, the OCC, or any officer, employee, or agent of the OCC and neither the Bank nor the OCC intends this Order to be a contract.

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

(10) 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 this Order.

(11) All reports, plans, or programs submitted to the OCC pursuant to this Order shall be forwarded, by email, to the Director, with a copy to the OCC Examiner in Charge.

(12) 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.

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

//s// Digitally Signed, Dated: 2025.04.24

Julie A. Thieman
Director for Special Supervision

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of Eastern National Bank, Miami, Florida have hereunto set their signatures on behalf of the Bank.

/s/

4/24/2025

John S. Karansky

Date

/s/

4/24/2025

Gustavo Macias

Date

/s/

4/24/2025

Keith Parker

Date

/s/

4/24/2025

Jaime Ortega

Date

/s/

4/24/2025

Rolando Parets

Date

/s/

4/24/25

Ricardo Martin

Date