

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

In the Matter of:

Bank of America, N.A.
Charlotte, North Carolina

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AA-ENF-2024-56

CONSENT ORDER

WHEREAS, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over Bank of America, N.A., Charlotte, North Carolina (“Bank”);

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 the Bank’s engagement in certain unsafe or unsound practices related to the Bank’s compliance with the Bank Secrecy Act (31 U.S.C. § 5311 *et seq.*), and the regulations promulgated thereunder (collectively, the “BSA”) and Sanctions (as defined below) compliance, violations of 12 C.F.R. §§ 21.11 and 21.21), and failure to correct a previously reported BSA compliance problem. *See* 12 U.S.C. § 1818(s)(3);

WHEREAS, the Bank has begun taking corrective actions and has committed to taking all necessary and appropriate steps to remedy the deficiencies identified in this Order;

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”), 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 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 required to develop and provide for the continued administration of a program reasonably designed to assure and monitor BSA compliance (“BSA Compliance Program”). *See* 12 C.F.R. § 21.21; *see also* 31 U.S.C. § 5318(h); 31 C.F.R. § 1020.210(a).

(2) The Bank failed to develop and provide for the continued administration of a program reasonably designed to assure and monitor BSA compliance, resulting in a violation of 12 C.F.R. § 21.21. *See also* 12 U.S.C. § 1818(s)(3)(A). The Bank has certain deficiencies in the internal controls, BSA Officer, independent testing, and training components of the Bank’s BSA Compliance Program.

(3) The Bank is required to file a Suspicious Activity Report (“SAR”) when it detects a known or suspected violation of Federal law or a suspicious transaction related to a money laundering activity or a violation of the BSA. *See* 12 C.F.R. § 21.11; *see also* 31 C.F.R. § 1020.320.

(4) The Bank had a breakdown in its policies, procedures, and processes to identify, evaluate, and report suspicious activity, including the Bank’s systemic failure to ensure that its transaction monitoring system had appropriate thresholds for determining when transaction alerts should trigger a case investigation; the Bank’s failure to ensure sufficient resources dedicated to case investigations; and noncompliance with the SAR filing requirement, resulting in violations of 12 C.F.R. § 21.11.

(5) The Bank failed to make acceptable substantial progress towards correcting a deficiency related to the Bank’s Customer Due Diligence (“CDD”) processes that was previously reported to the Bank by the OCC. *See* 12 U.S.C. § 1818(s)(3)(B).

(6) The Bank engaged in unsafe or unsound practices related to its Sanctions (as defined below) compliance; BSA Compliance Program, including internal controls; governance; transaction monitoring and models; suspicious activity monitoring, investigation, and reporting; due diligence; risk assessments; BSA officer; staffing; internal audit; and training.

ARTICLE III

COMPLIANCE COMMITTEE

(1) Within thirty (30) days of the date of this Order, the Board shall appoint 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 subsidiaries or affiliates. The Board shall submit in writing to the Examiner-in-Charge the names of the members of the Compliance

Committee within ten (10) days of their appointment. In the event of a change of the membership, the Board shall submit in writing to the Examiner-in-Charge within ten (10) days the name of any new or resigning committee member. The Compliance Committee shall monitor and oversee the Bank's compliance with the provisions of this Order. The Compliance Committee shall meet at least quarterly and maintain minutes of its meetings.

ARTICLE IV

ACTION PLAN

(1) Within ninety (90) days of the date of this Order, the Bank shall submit to the Examiner-in-Charge for review and prior written determination of no supervisory objection an acceptable written plan detailing the remedial actions necessary to achieve and sustain compliance with the BSA and all relevant sanctions laws, rules, and regulations, including the rules and regulations of the Office of Foreign Assets Control and relevant Executive Orders (collectively, "Sanctions"), that incorporates the substantive requirements of Articles III through XVI of this Order, and that incorporates all corrective actions addressing BSA and Sanctions concerns and violations formally communicated by the OCC to the Bank in writing that remain open as of the effective date of this Order ("Action Plan").

(2) The Action Plan shall include:

- (a) a description of the required corrective actions;
- (b) the specific Article and associated paragraph (and, if applicable, subparagraph) of this Order or concern or violation formally communicated by the OCC to the Bank in writing that each corrective action will address;
- (c) reasonable and well-supported timelines for completing the corrective

actions. These timelines shall reflect appropriate consideration of the possible impact on timing caused by any interdependencies between corrective actions, and further, shall be inclusive of time needed for the Bank to validate completion and effectiveness of corrective actions; and

(d) the person(s) responsible for completing the corrective actions.

(3) Upon receipt of a written determination of no supervisory objection to the Action Plan or to any subsequent amendment to the Action Plan from the Examiner-in-Charge, the Compliance Committee shall ensure the Bank promptly adopts the Action Plan and shall verify that the Bank implements and adheres to the Action Plan, including the timelines set forth within the Action Plan.

(4) The Compliance Committee shall review the effectiveness of the Bank's implementation of and adherence to the Action Plan at least quarterly, and more frequently if necessary or if required by the OCC in writing, and amend the Action Plan as needed or directed by the Examiner-in-Charge. The Board shall reflect its review of the Action Plan in official meeting minutes and provide a copy of the meeting minutes to the Examiner-in-Charge.

(5) In the event the Examiner-in-Charge requires changes to the Action Plan, the Bank shall promptly incorporate the required changes into the Action Plan and submit the revised Action Plan to the Examiner-in-Charge for review and prior written determination of no supervisory objection.

(6) The Bank shall not take any action, including modification to the Action Plan that has received a written determination of no supervisory objection from Examiner-in-Charge, that will cause a significant deviation from, or material change to, the Action Plan

without a prior written determination of no supervisory objection from the Examiner-in-Charge. The Bank shall provide written notification to the Examiner-in-Charge of any other modification to the Action Plan on a quarterly basis.

(7) Upon written notification by the Examiner-in-Charge, the Bank shall promptly modify the Action Plan to include corrective actions addressing BSA or Sanctions compliance deficiencies formally communicated to the Bank in writing by the OCC subsequent to the date of this Order, including the completion of additional look-back reviews, for such corrective actions which are necessary to achieve and maintain compliance with the BSA and Sanctions.

(8) Within forty-five (45) days following receipt of the Examiner-in-Charge's written determination of no supervisory objection to the Action Plan, and thereafter within thirty (30) days after the end of each calendar quarter, the BSA Officer shall prepare, and the Compliance Committee shall submit to the Board, a written progress report setting forth in detail:

- (a) the specific corrective actions undertaken pursuant to the Action Plan;
- (b) the results and status of the corrective actions; and
- (c) a description of the outstanding corrective actions and the party or parties responsible for the completion of outstanding corrective actions.

(9) The Bank shall forward a copy of the progress report, with any additional comments by the Board, to the Examiner-in-Charge promptly following the first Board meeting after the Board's receipt of such report. If any independent assessment or review was completed regarding the Bank's BSA or Sanctions compliance, pursuant to this Order or otherwise, during the period of the progress report, the Board shall also include a copy of any written documentation setting forth the findings or recommendations of the independent assessment or review.

ARTICLE V

BSA AND SANCTIONS COMPLIANCE PROGRAM ASSESSMENT

(1) Within sixty (60) days of the date of this Order, the Bank shall submit to the Examiner-in-Charge, for review and prior written determination of no supervisory objection, the name, qualifications, and engagement terms of a proposed independent, third-party consultant (“Program Consultant”) to conduct a comprehensive, end-to-end review and assessment of the Bank’s BSA Compliance Program and Sanctions compliance program (collectively, “BSA and Sanctions Compliance Programs”) and then provide a written report on the Bank’s BSA and Sanctions Compliance Programs (“Compliance Program Assessment”).

(2) The Bank shall provide the Examiner-in-Charge with a proposed scope and timeline for completion of the Compliance Program Assessment that addresses the requirements of paragraph (3) of this Article. The Bank’s written submission shall address the:

- (a) Bank’s due diligence it conducted to identify and select the Program Consultant to perform the required Compliance Program Assessment;
- (b) Program Consultant’s specialized expertise in BSA and Sanctions compliance; and
- (c) Bank’s assessment of the independence and qualifications of the Program Consultant, including proposed key staff employed by the Program Consultant who will conduct the engagement.

The Bank shall provide a copy of the proposed engagement contracts and work plans with the submission. Refer to OCC Bulletin 2013-33, “Use and Review of Independent Consultants in Enforcement Actions: Guidance for Bankers” (Nov. 12, 2013).

(3) The Compliance Program Assessment must include a comprehensive, end-to-end review and assessment of the Bank's BSA and Sanctions Compliance Programs, including all components of the programs, all three lines of defense, and Board and management oversight thereof, to identify any gaps or other deficiencies and to determine whether the Bank's BSA and Sanctions Compliance Programs are commensurate with the Bank's size, complexity, and risk profile.

(4) Upon receipt of the Examiner-in-Charge's written determination of no supervisory objection to the proposed Program Consultant and the scope and timeline for completion of the Program Consultant's review, the Bank shall promptly enter into a written agreement with the proposed Program Consultant, consistent with the requirements of this Article, to conduct the Compliance Program Assessment. Upon execution, a copy of that written agreement, and any subsequent amendments thereto, shall be provided to the Examiner-in-Charge.

(5) Upon execution of the written agreement with the Program Consultant, Bank management, subject to Compliance Committee review and ongoing monitoring, shall promptly provide all information requested by the Program Consultant.

(6) Within sixty (60) days of completion of the Compliance Program Assessment, or as otherwise specified in the Action Plan for which the Examiner-in-Charge has provided a written determination of no supervisory objection, the Program Consultant shall provide the Compliance Committee with a written report that identifies any gaps and deficiencies in the Bank's BSA and Sanctions Compliance Programs. The report shall include the Program Consultant's written conclusions about the effectiveness of each component of the BSA and Sanctions Compliance Programs, all three lines of defense, and Board and management oversight

thereof. The Compliance Committee shall document its review of the written report in its official meeting minutes and promptly provide a copy of the meeting minutes to the Examiner-in-Charge.

(7) When providing its written report to the Bank, including any drafts thereof, the Program Consultant shall promptly and directly provide a copy of the report to the Examiner-in-Charge. Any presentations made to the Bank regarding the report, or any preliminary or final findings or recommendations contained therein, shall promptly be made to the Examiner-in-Charge, and a copy of any presentation materials shall promptly be provided to the Examiner-in-Charge. All supporting materials and work papers associated with the Compliance Program Assessment, as well as personnel of the Program Consultant, shall be made available to the OCC upon written request.

(8) The Compliance Committee shall ensure that management effectively remediates any gaps and deficiencies in the Bank's BSA or Sanctions Compliance Program identified by the Program Consultant. The Bank shall incorporate its plan to implement effective remediation of any identified gaps and deficiencies into the Action Plan required by Article IV of the Order.

ARTICLE VI

BSA AND SANCTIONS GOVERNANCE AND OVERSIGHT

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop, implement, and thereafter adhere to a written program to:

- (a) enhance Board and senior management oversight of the Bank's BSA and Sanctions Compliance Programs; and

- (b) ensure safe and sound corporate governance and decision-making processes related to BSA and Sanctions compliance (“Oversight Enhancement Program”).

Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual: “BSA Compliance Program Structures—Overview”* (Rev. Feb. 2015) and the “Corporate and Risk Governance” booklet of the *Comptroller’s Handbook*.

- (2) The Bank’s Oversight Enhancement Program shall include:
 - (a) development and implementation of effective metrics and well-supported risk tolerances; and
 - (b) effective management information systems that are commensurate with the Bank’s size and risk profile, and that provide prompt and accurate periodic written reports to the Board and senior management on the status of the Bank’s BSA and Sanctions Compliance Programs, including risk tolerances, metrics, any backlogs in monitoring or reporting, and compliance with the BSA, Sanctions, and this Order;

ARTICLE VII

BSA AND SANCTIONS INTERNAL CONTROLS

(1) The Bank shall develop, implement, and maintain an enhanced system of internal controls to assure ongoing BSA and Sanctions compliance and mitigate and manage money laundering, terrorist financing, and other illicit financial activity risks and sanctions risks commensurate with the Bank’s size, complexity, and risk profile. The internal controls shall include effective sanctions screening systems that ensure compliance with Sanctions requirements and are subject to periodic independent validation. Refer to the *FFIEC Bank*

Secrecy Act/Anti-Money Laundering Examination Manual: “BSA/AML Internal Controls” (Rev. March 2020) and “*Office of Foreign Assets Control*” (Rev. Feb. 2015) and the issuances referenced in Articles VIII, XI, and XII of this Order.

ARTICLE VIII

SUSPICIOUS ACTIVITY IDENTIFICATION, EVALUATION, AND REPORTING

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop, implement, and thereafter adhere to a written suspicious activity monitoring and reporting program to ensure the timely and appropriate identification, review, and disposition of potentially suspicious or unusual activity, and the filing of SARs consistent with 12 C.F.R. § 21.11 (“Suspicious Activity Monitoring Program”). Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual: “Assessing Compliance with BSA Regulatory Requirements/Suspicious Activity Reporting – Overview”* (Rev. Feb. 2015).

- (2) The Bank’s Suspicious Activity Monitoring Program shall include:
- (a) policies, procedures, and standards, as applicable, for identifying, evaluating, and reporting suspicious activity, known or suspected violations of Federal law, violations of the BSA, terrorist financing and other illicit financial activity, or suspicious transactions relating to potential money laundering across all lines of business, including suspicious activity related to the opening of new accounts, the monitoring of current accounts, and transactions processed by, to, or through the Bank;

- (b) policies, procedures, and standards, as applicable, to ensure transaction monitoring systems apply appropriate rules, thresholds, and filters for monitoring all types of domestic and international transactions, accounts, customers, products, services, and geographic areas that are commensurate with the Bank's BSA risk profile and include:
- (i) meaningful rules, thresholds, and filters for identifying accounts and customers for further monitoring, review, and analysis;
 - (ii) an appropriately documented methodology for establishing and adjusting the rules, thresholds, and filters, including when the Bank enters into a new product or service or a new line of business; and
 - (iii) ongoing, periodic testing and monitoring of the rules, thresholds, and filters employed by the transaction monitoring systems, for their appropriateness to the Bank's customer base, products, services, and geographic areas;
 - (iv) periodic independent validation of the data inputs, models, rules, thresholds, and filters used by or for monitoring systems to ensure that all accounts and transactions intended to be covered by the relevant system are captured, and the systems are adequate to detect potentially suspicious or unusual activity, followed by timely written reporting to the Board addressing:
 - 1. all instances in which deficiencies regarding data inputs, models, rules, thresholds, or filters resulted in a failure to ensure that potentially suspicious or unusual activity was

- subject to further monitoring, review, and analysis;
 - 2. the corrective actions taken, or that will be taken, to address these failures; and
 - 3. the testing done which confirms the efficacy of those remedial measures;
- (v) adequate documentation and prompt reporting of validation findings and prompt resolution of deficiencies identified during model validation. Refer to OCC Bulletin 2011-12, “Supervisory Guidance on Model Risk Management,” (Apr. 11, 2011), OCC Bulletin 2021-19, “Bank Secrecy Act/Anti-Money Laundering: Interagency Statement on Model Risk Management for Bank Systems Supporting BSA/AML Compliance” (Apr. 12, 2021), the “Model Risk Management” booklet of the *Comptroller’s Handbook*; and
- (vi) identification of areas that fall outside of the automated monitoring systems’ review and implementation of manual processes to ensure the Bank identifies and analyzes potentially suspicious or unusual activity not reviewed by the Bank’s automated systems;
- (c) policies, procedures, and standards, as applicable, for timely investigating and responding to transactions identified as posing elevated risk for suspicious activity that include:
- (i) requirements for sufficiently documenting dispositions of alerts from any source, including, but not limited to, an automated

- monitoring system, Bank employee referrals, and law enforcement inquiries;
- (ii) standards for dispositioning different types of alerts that are reasonable and communicated in writing to relevant staff;
 - (iii) requirements for the BSA Department staff to consider appropriate CDD information when conducting event reviews and suspicious or unusual activity investigations;
 - (iv) requirements for the maintenance of adequate documentation to support the disposition of events and case investigations; and
 - (v) effective, risk-based investigative systems and tools;
- (d) policies, procedures, and standards, as applicable, for an effective SAR decision-making process that requires documenting individual decisions on whether to file SARs and key facts supporting each decision to not file a SAR;
- (e) policies, procedures, and standards, as applicable, to ensure accurate, complete, and timely filing of SARs that comply with FinCEN's filing instructions in accordance with 12 C.F.R. § 21.11; and
- (f) policies, procedures, and standards, as applicable, for reporting continuing suspicious activity and for escalating to senior management and the Board issues or problems identified as the result of repeat SAR filings on customers or accounts.

ARTICLE IX

TRANSACTION MONITORING SYSTEM VALIDATION AND LOOK-BACK

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall submit to the Examiner-in-Charge, for review and prior written determination of no supervisory objection, the name, qualifications, and engagement terms of a proposed independent, third-party consultant (“TM Validation Consultant”) to conduct a review and provide a written report addressing the effectiveness of the Bank’s transaction monitoring systems in connection with its suspicious activity monitoring, investigation, decisioning, and reporting (“TM Validation”).

(2) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall submit to the Examiner-in-Charge, for review and prior written determination of no supervisory objection, the name, qualifications, and engagement terms of a proposed independent, third-party consultant (“TM Look-Back Consultant”) to conduct a review and provide a written report addressing the Bank’s prior use of its transaction monitoring system in connection with its suspicious activity monitoring, investigation, decisioning, and reporting (“TM Look-Back”).

(3) The submission(s) received pursuant to paragraphs (1) and (2) shall include a proposed scope and timeline for completion of the requirements of paragraphs (4), (5), and (6) of this Article. The Bank’s submissions shall address the due diligence that the Bank engaged in to identify and select the TM Validation Consultant to perform the TM Validation, and the TM Look-Back Consultant to conduct the TM Look-Back. In addition, the submission(s) must detail the respective consultants’ specialized expertise in BSA compliance and any proposed analytical techniques, tools, methodologies, factors, or other considerations to be used by each consultant.

Further, the submissions must include the Bank's assessment of the independence and qualifications of the consultants, as well as a copy of the proposed engagement contracts and work plans. Refer to OCC Bulletin 2013-33, "Use and Review of Independent Consultants in Enforcement Actions: Guidance for Bankers" (Nov. 12, 2013).

(4) The TM Validation Consultant shall determine whether the corrective actions taken by the Bank are effective to address deficiencies identified in its transaction monitoring systems, including determining whether the system's rules, thresholds, filters, and event scenarios are tailored to the Bank's BSA risk profile and operations and provide for appropriate and effective identification of unusual or potentially suspicious activity, appropriate and effective investigations, and compliance with applicable laws and regulations.

(5) Based on the findings of the TM Validation review, the TM Look-Back shall determine whether SARs should be filed for any previously unreported suspicious activity, including cases in which the Bank 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 accordance with 12 C.F.R. § 21.11, and to identify any accounts that pose excessive BSA risk.

(6) The Bank shall submit the proposed scope of the TM Look-Back to the Examiner-in-Charge, for review and prior written determination of no supervisory objection.

(7) Upon receipt of the Examiner-in-Charge's written determination of no supervisory objection to the proposed TM Validation and TM Look-Back Consultants, respectively, and the scope and timelines for completion of the consultants' reviews, the Bank shall enter into written agreements with the consultants, consistent with the requirements of this

Article, to conduct the TM Validation and the TM Look-Back, respectively. Upon execution, copies of the written agreements, and any subsequent amendments thereto, shall be provided to the Examiner-in-Charge.

(8) Upon execution of the written agreements with the TM Validation and TM Look-Back Consultants, Bank management, subject to Compliance Committee review and ongoing monitoring, shall promptly provide all information requested by the consultants.

(9) Within sixty (60) days of completion of the TM Validation and the TM Look-Back, respectively, or as otherwise specified in the Action Plan to which the Examiner-in-Charge has issued a written determination of no supervisory objection, each consultant shall provide the Compliance Committee with a written report that addresses the:

- (a) analytical techniques, tools, methodologies, factors, and other considerations used by the consultant;
- (b) number and types of customers, accounts, and transactions that the consultant reviewed; and
- (c) corrective actions that the consultant recommends to the Bank.

(10) The TM Validation Consultant's report also must address the:

- (a) process the consultant used for determining the effectiveness of remediation work undertaken by the Bank to address deficiencies identified in its transaction monitoring systems;
- (b) methodology and process used by the consultant to determine whether the Bank's transaction monitoring system's current rules, thresholds, filters, and event scenarios are appropriate; and

- (c) conclusions reached by the consultant about the effectiveness of the Bank's remedial work, and whether the Bank's current suspicious activity monitoring process provides for effective identification of potentially suspicious or unusual activity, appropriate and effective investigations, and full compliance with all applicable laws and regulations;
- (11) The TM Look-Back Consultant's report also must include lists of:
- (a) customers, accounts, and transactions that the consultant concluded require additional investigation;
 - (b) SARs that the consultant recommended the Bank should file, correct or amend;
 - (c) customers, accounts, and transactions where, contrary to the consultant's recommendation, the Bank determined not to file a SAR, or correct or amend existing SAR filings, and the reasons provided by the Bank for that decision(s); and
 - (d) transactions that the consultant concluded reflect excessive BSA risk for the Bank, or where the Bank had not appropriately considered the impact of the transactions on the customers' risk profiles.

(12) When providing their respective written reports to the Bank, including any drafts thereof, the TM Validation and TM Look-Back Consultants shall promptly and directly provide a copy of their written reports of findings and recommendations to the Examiner-in-Charge. Any presentations made to the Bank regarding the report, or any preliminary or final findings or recommendations contained therein, shall promptly be made to the Examiner-in-Charge, and a copy of any presentation materials shall promptly be provided to the Examiner-in-Charge. All

supporting materials and work papers associated with the TM Validation and TM Look-Back, as well as personnel of the TM Validation and TM Look-Back Consultants, shall be made available to the OCC upon written request.

(13) The Compliance Committee shall ensure that management effectively remediates any gaps and deficiencies in the Bank’s transaction monitoring systems identified by the TM Validation or TM Look-Back Consultants. The Bank shall incorporate its plan to implement effective remediation of any identified gaps and deficiencies into the Action Plan required by Article IV of the Order.

(14) Based upon the results of the TM Look-Back, the OCC, at its sole discretion, may expand the scope the Look-Back, either in terms of the subjects to be addressed, time period(s) to be covered, or both (“Supplemental TM Look-Back”). Any Supplemental TM Look-Back shall be carried out in a manner consistent with other requirements of this Article.

ARTICLE X

NEGOTIABLE INSTRUMENTS LOOK-BACK

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall submit to the Examiner-in-Charge, for review and prior written determination of no supervisory objection, the name, qualifications, and engagement terms of a proposed independent, third-party consultant (“NGI Look-Back Consultant”) to conduct a review and provide a written report on the Bank’s suspicious activity monitoring, investigation, decisioning, and reporting associated with negotiable instruments (“NGI Look-Back”).

(2) The submission received pursuant to paragraph (1) shall include a proposed scope and timeline for completion of the requirements of paragraphs (3) and (4) of this Article. The

Bank's submission shall address the due diligence that the Bank engaged in to identify and select the NGI Look-Back Consultant to conduct the NGI Look-Back. In addition, the submission must detail the NGI Look-Back Consultant's specialized expertise in BSA compliance and any proposed analytical techniques, tools, methodologies, factors, or other considerations to be used by the consultant. Further, the submission must include the Bank's assessment of the independence and qualifications of the consultant, as well as a copy of the proposed engagement contract and work plan. Refer to OCC Bulletin 2013-33, "Use and Review of Independent Consultants in Enforcement Actions: Guidance for Bankers" (Nov. 12, 2013).

(3) The NGI Look-Back shall determine whether SARs should be filed for any previously unreported suspicious activity, including cases in which the Bank identified suspicious activity but failed to adequately support a decision not to file a SAR, 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 accordance with 12 C.F.R. § 21.11, and to identify any accounts that pose excessive BSA risk. The NGI Look-Back Consultant shall also determine whether any changes to systems or processes are required to ensure the bank adequately identifies and reports suspicious activity associated with negotiable instruments.

(4) The Bank shall submit the proposed scope of the NGI Look-Back to the Examiner-in-Charge, for review and prior written determination of no supervisory objection.

(5) Upon receipt of the Examiner-in-Charge's written determination of no supervisory objection to the proposed NGI Look-Back Consultant, and the scope and timeline for completion of the NGI Look-Back Consultant's review, the Bank shall enter into a written agreement with the consultant, consistent with the requirements of this Article, to conduct the

NGI Look-Back. Upon execution, a copy of the written agreement, and any subsequent amendments thereto, shall be provided to the Examiner-in-Charge.

(6) Upon execution of the written agreement with the NGI Look-Back Consultant, Bank management, subject to Compliance Committee review and ongoing monitoring, shall promptly provide all information requested by the consultant.

(7) Within sixty (60) days of completion of the NGI Look-Back, or as otherwise specified in the Action Plan to which the Examiner-in-Charge has issued a written determination of no supervisory objection, the NGI Look-Back Consultant shall provide the Compliance Committee with a written report that addresses the:

- (a) analytical techniques, tools, methodologies, factors, and other considerations used by the consultant;
 - (b) number and types of customers, accounts, and transactions that the consultant reviewed; and
 - (c) corrective actions that the consultant recommends to the Bank.
- (8) The NGI Look-Back Consultant's report also must include lists of:
- (a) customers, accounts, and transactions that the consultant concluded require additional investigation;
 - (b) SARs that the consultant recommended the Bank should file, correct or amend;
 - (c) customers, accounts, and transactions where, contrary to the consultant's recommendation, the Bank determined not to file a SAR, or correct or amend existing SAR filings, and the reasons provided by the Bank for that decision(s); and

(d) transactions that the consultant concluded reflect excessive BSA risk, or where the Bank had not appropriately considered the impact of the transactions on the customers' risk profiles.

(9) When providing its written report to the Bank, including any drafts thereof, the NGI Look-Back Consultant shall promptly and directly provide a copy of its written report of findings and recommendations to the Examiner-in-Charge. Any presentations made to the Bank regarding the report, or any preliminary or final findings or recommendations contained therein, shall promptly be made to the Examiner-in-Charge, and a copy of any presentation materials shall promptly be provided to the Examiner-in-Charge. All supporting materials and work papers associated with the NGI Look-Back, as well as personnel of the NGI Look-Back Consultant, shall be made available to the OCC upon written request.

(10) The Compliance Committee shall ensure that management effectively remediates all gaps and deficiencies in the Bank's suspicious activity monitoring, investigation, decisioning, and reporting associated with negotiable instruments identified by the NGI Look-Back Consultant. The Bank shall incorporate its plan to implement effective remediation of any identified gaps and deficiencies into the Action Plan required by Article IV of the Order.

(11) Based upon the results of the NGI Look-Back, the OCC, at its sole discretion, may expand the scope of the NGI Look-Back, either regarding the subjects to be addressed, time period(s) to be covered, or both ("Supplemental NGI Look-Back"). Any Supplemental NGI Look-Back shall be carried out in a manner consistent with other requirements of this Article.

ARTICLE XI

CUSTOMER DUE DILIGENCE AND RISK IDENTIFICATION

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop and implement and thereafter adhere to a revised written CDD program (“CDD Program”) to ensure appropriate collection and analysis of customer information when opening new accounts, when renewing or modifying existing accounts for customers, and when the Bank obtains event-driven information indicating that it should obtain updated information to better understand the nature and purpose of its customer relationships and generate and maintain an accurate customer risk profile. The CDD Program shall also ensure the Bank’s CDD activities operate in accordance with applicable law and regulations, including regulations addressing CDD, and be consistent with the Bank’s BSA Risk Assessment. Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual*: “Customer Due Diligence” (Rev. May 2018).

- (2) The Bank’s CDD Program shall be risk-based, and shall include:
- (a) clear definitions of standard-, elevated-, and high-risk customers;
 - (b) an effective methodology for assigning defined risk levels to customers that considers the customer’s entire relationship, including all of the customer’s domestic and internal accounts and activity therein, and factors appropriate to the customer such as:
 - (i) type of customer;
 - (ii) purpose of the account;
 - (iii) geographic location; and
 - (iv) the expected account activity by type of service used, including the

- volume, velocity, and frequency by dollar amount and number;
- (c) risk-based requirements to collect, maintain, and timely update all information necessary to establish an accurate customer risk profile and facilitate ongoing monitoring to identify and report suspicious activity that include prioritizing the timely completion of CDD refreshes for high-risk customers;
 - (d) policies, procedures, and standards, as applicable:
 - (i) that contain a clear statement of management's and staff's responsibilities, including authority and responsibility for reviewing and approving changes to a customer's risk profile, as applicable;
 - (ii) to ensure staff responsible for gathering CDD information have sufficient skills, expertise and authority to perform their assigned responsibilities;
 - (iii) for identifying and timely remediating instances where required CDD information is missing or incomplete;
 - (iv) to enforce timely consequences when customers fail to provide the required CDD information;
 - (v) to maintain a system that can generate an accurate and complete list of high-risk domestic and international customers that identifies: 1. current customers exhibiting high-risk characteristics for money laundering, terrorist financing, or other illicit activity, and 2. each high-risk customer's accounts;

- (vi) for ongoing monitoring and periodic reviews of high-risk domestic and international customers, which shall include:
 1. risk-based criteria establishing how often to conduct periodic reviews of high-risk domestic and international customers;
 2. documented evidence of transactional analysis, including comparing expected, historical, and current activity, the source and use of funds, trends, and activity patterns; and
 3. documented analysis of significant information in the file, including the identification of significant disparities evident when comparing previously acquired information as against information obtained through the CDD refresh process, investigation of risk indicators and potentially suspicious activity, and well-supported conclusions;
- (vii) to ensure that customer risk ratings are appropriately incorporated into the Bank's BSA Risk Assessment;
- (viii) to enhance and expand reviews for high-risk customers to ensure a complete and appropriate review of all customer activities and document the review;
- (ix) to maintain an effective system configured to obtain information documenting the reason(s) for the removal of customers from high-risk status that is subject to periodic independent validation; and

- (e) a quality control process to ensure the Bank adheres to CDD policies, procedures, and standards.

ARTICLE XII

BSA AND SANCTIONS RISK ASSESSMENTS

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop and implement and thereafter adhere to a revised written, institution-wide, ongoing BSA Risk Assessment methodology. The BSA Risk Assessment methodology shall reflect a comprehensive analysis and documentation of the Bank's money laundering and terrorist financing and other illicit financial activity risks and the Bank shall utilize the BSA Risk Assessment to provide strategies to control those risks and limit any identified vulnerabilities. Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual: "BSA/AML Risk Assessment"* (Rev. March 2020) and *"Office of Foreign Assets Control"* (Rev. Feb. 2015).

- (2) The BSA Risk Assessment methodology shall include:
 - (a) the identification of specific risk categories, including:
 - (i) products and services offered;
 - (ii) customer type and entities served;
 - (iii) transaction types; and
 - (iv) countries or geographic locations of customers and transactions;
 - (b) a detailed analysis of all pertinent data obtained regarding the specific risk categories, including:
 - (i) volumes and types of transactions and services by country or geographic location; and

- (ii) numbers of customers that typically pose higher or elevated BSA risk, both by type of risk and by geographic location. The analysis to be conducted shall include an evaluation of all relevant information obtained through the Bank's processes, including the Bank's Customer Information Program and CDD;
- (c) an assessment of BSA risk both separately within each of the Bank's business lines and on a consolidated basis across all Bank product lines, services, customers, and geographies;
- (d) an assessment of affiliate relationships and shared services to identify and analyze their impact on the Bank's BSA risk profile;
- (e) a provision requiring maintenance of appropriate documentation of data and information used to support the Bank's BSA Risk Assessment's conclusions (with supporting documentation readily accessible for third-party review);
- (f) an inventory and assessment of the adequacy of internal controls designed to address the risks identified through the BSA Risk Assessment that incorporates findings from regulatory examinations, second-line testing, and audit reviews; and
- (g) identification of the Bank's residual risk profile.

(3) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop and implement and thereafter adhere to a revised written, institution-wide, ongoing Sanctions Risk Assessment. The Sanctions Risk Assessment shall reflect a comprehensive analysis and documentation of the

Bank's sanctions risks and the Bank shall utilize the Sanctions Risk Assessment to provide strategies to control those risks and limit any identified vulnerabilities.

- (4) The Sanctions Risk Assessment methodology shall include:
 - (a) an analysis of the products, services, customers, entities, transactions, and geographic locations in which the Bank is engaged, including those that are processed by, through, or to the Bank, and quantify the Sanctions risk to identify potential exposure;
 - (b) an analysis of the nature and complexity of Sanctions risks inherent in the Bank's operations;
 - (c) an inventory and assessment of the adequacy of internal controls designed to address the risks identified through the Sanctions Risk Assessment that incorporates findings from regulatory examinations, second-line testing, and audit reviews; and
 - (d) identification of the Bank's residual risk profile.

(5) Bank management shall update the BSA and Sanctions Risk Assessments annually, and more frequently if necessary or if required by the OCC in writing, or whenever there is a significant change in BSA or Sanctions risk within the Bank or the lines of businesses within the Bank.

(6) The Compliance Committee shall promptly review and approve the BSA and Sanctions Risk Assessments and any subsequent updates, and document its review in its minutes. The Bank shall promptly provide a copy of the BSA and Sanctions Risk Assessments and the minutes documenting the Compliance Committee's review of the BSA and Sanctions Risk Assessments to the Examiner-in-Charge.

ARTICLE XIII

BSA OFFICER AND STAFFING

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Board shall ensure the Bank maintains, at all times, a qualified BSA Officer vested with sufficient independence, authority, and resources to fulfill the duties and responsibilities of the position and ensure the Bank's compliance with the BSA. The BSA Officer shall provide timely and accurate periodic reporting to the Board and senior management about the status of the Bank's BSA Compliance Program. Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual: "BSA Compliance Officer"* (Rev. March 2020).

(2) In the event that the Bank's BSA Officer position is vacated, the Board shall promptly appoint a new, qualified BSA Officer. Prior to appointing the new BSA Officer, the Board shall submit to the Examiner-in-Charge the following information for a prior written determination of no supervisory objection to appoint the individual as BSA Officer:

- (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 BSA Compliance Officer;
- (b) a written statement of the Board's reasons for selecting the proposed BSA Officer; and
- (c) a written description of the proposed BSA Officer's duties and responsibilities.

(3) A prior written determination of no supervisory objection to the proposed individual shall not constitute an approval or endorsement of the proposed individual. In addition,

the requirement to submit information and the prior written no supervisory objection provisions of this paragraph are based on the authority of 12 U.S.C. § 1818(b)(6)(E).

(4) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, and no less than annually thereafter, the BSA Officer shall conduct a written assessment of the Bank's BSA staffing to determine whether the Bank has adequate staffing with the requisite skills, expertise authority, and training necessary to ensure compliance with the BSA and this Order. Upon completion, the BSA Officer shall promptly provide this assessment to the Board and the Examiner-in-Charge.

(5) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, and no less than annually thereafter, the Compliance Committee shall review the adequacy of the Bank's BSA Officer and supporting staff and shall document its determinations in writing. The review shall evaluate and consider the effectiveness of the following:

- (a) leadership, knowledge, training, and skills of the BSA Officer and staff;
and
- (b) staffing levels for the BSA compliance function, consistent with the Bank's money laundering, terrorist financing, and other illicit financial activity risk assessment, including anticipated risks from new or expanded lines of business, products, services, and geographies, and the effectiveness of the Bank's BSA Compliance Program.

Upon completion, this review shall be submitted to the Examiner-in-Charge.

(6) After completing the assessment and review under paragraphs (4) and (5) of this Article, the Compliance Committee shall ensure the Bank promptly implements any changes that

are needed in the Bank’s BSA Officer and supporting staff, including their resources, responsibilities, authority, structure, independence, competencies, and capabilities.

(7) The Compliance Committee shall ensure the Bank has sufficient staff with appropriate skills and expertise needed to support the BSA Officer and the Bank’s BSA Compliance Program and that such staff is vested with sufficient authority to fulfill their respective duties and responsibilities. The Compliance Committee shall also ensure that Bank policies and procedures clearly outline the BSA responsibilities of senior managers and line of business employees, including any independent contractors. The Board shall also ensure the performance evaluation process for senior managers and line of business managers incorporates BSA compliance.

ARTICLE XIV

BSA AND SANCTIONS INTERNAL AUDIT

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop and implement and thereafter adhere to a revised written BSA and Sanctions compliance internal audit program (“BSA and Sanctions Audit Program”) to effectively test the Bank’s BSA and Sanctions compliance, relative to its risk profile, and the overall adequacy of the Bank’s BSA and Sanctions Compliance Programs. Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual: “BSA/AML Independent Testing”* (Rev. March 2020) and “Office of Foreign Assets Control” (Rev. Feb. 2015), the “Internal and External Audits” booklet of the *Comptroller’s Handbook*, 12 C.F.R. Part 30 Appendices A and D.

(2) The BSA and Sanctions Audit Program shall include:

(a) appropriate resources, including adequate Internal Audit personnel with

sufficient skills, expertise, and authority to effectively perform Internal Audit's responsibilities;

- (b) sufficient enterprise-wide BSA and Sanctions risk assessments based on a risk assessment methodology that considers the Bank's products, services, customers, geographies, and transactions;
- (c) performance of a risk-based analysis at least annually to identify and resolve gaps in Internal Audit's coverage of the BSA and Sanctions Compliance Programs;
- (d) annual assessments of the overall adequacy of the Bank's BSA and Sanctions Compliance Programs relative to the Bank's risk profile that includes the topics set out in paragraph (3) below, and reports on broad thematic issues affecting the programs;
- (e) identification and analysis of the root causes of all significant BSA and Sanctions compliance deficiencies;
- (f) timely reporting to the Audit Committee and senior management of all significant BSA and Sanctions issues identified through the BSA and Sanctions Audit Program, which shall address the root cause of the issues and its impact on the organization and the effectiveness of the first and second lines of defense in timely identifying and addressing the issue; and
- (g) effective processes to track, monitor, and follow up on all identified BSA and Sanctions compliance issues, including concerns identified by the OCC, to ensure that these issues are being properly reported, and to review and verify that timely corrective actions are being taken.

(3) The BSA and Sanctions Audit Program and the annual assessments shall include an evaluation of the critical components of the Bank's BSA and Sanctions Compliance Programs and shall address and determine whether the Bank's:

- (a) BSA and Sanctions Compliance Programs are effective and the Bank is in compliance with the BSA and Sanctions requirements;
- (b) BSA and Sanctions risk assessments completely and accurately capture its risk profiles, and the methodology and approach used to develop the risk assessments are reasonable;
- (c) policies, procedures, and standards for BSA and Sanctions compliance are appropriate for the Bank's risk profile, the Bank adheres to them, and they are reasonably designed to achieve and maintain compliance with the BSA and Sanctions requirements;
- (d) overall process for identifying and reporting suspicious activity is adequate to comply with regulatory requirements;
- (e) information technology sources, systems, and processes used to support the BSA and Sanctions Compliance Programs are adequate;
- (f) BSA and Sanctions training is provided for appropriate personnel, tailored to specific functions and positions, and includes supporting documentation; and
- (g) management takes appropriate and timely action to address any deficiencies previously noted by audit staff.

ARTICLE XV

BSA AND SANCTIONS TRAINING

(1) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall conduct a written assessment to identify areas where BSA and Sanctions training is insufficient or ineffective, relative to the Bank's BSA and Sanctions risk profiles. Upon its completion, the assessment shall be promptly provided to the Compliance Committee and the Examiner-in-Charge. The Compliance Committee shall reflect its review of the written analysis in the minutes of its next official meeting and provide a copy of the meeting minutes to the Examiner-in-Charge following the review.

(2) Within the time periods specified in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection, the Bank shall develop and implement and thereafter adhere to a revised written BSA and Sanctions training program ("BSA and Sanctions Training Program"). Refer to the *FFIEC Bank Secrecy Act/Anti-Money Laundering Examination Manual*: "BSA/AML Training" (Rev. March 2020) and "Office of Foreign Assets Control" (Rev. Feb. 2015).

(3) The BSA and Sanctions Training Program shall include:

- (a) relevant and appropriate periodic BSA and Sanctions training for all Board members and all Bank personnel tailored to the individual's job-specific functions, duties, and responsibilities. This training shall address:
 - (i) BSA and Sanctions requirements;
 - (ii) the Bank's BSA and Sanctions compliance policies, procedures, and standards;

- (iii) the Bank's BSA and Sanctions risk profiles, and any changes thereto;
 - (iv) high-risk customers, activities, and geographies; and
 - (v) suspicious activity monitoring and reporting;
- (b) policies, procedures, and standards, as applicable, addressing mandatory attendance, the frequency of training, timing for updating the training program and materials, the method for delivering training, and tracking and documenting training completion; and
- (c) confirming that any third parties performing BSA or Sanctions compliance functions receive sufficient and ongoing training to perform their tasks effectively.

ARTICLE XVI

NEW PRODUCTS, SERVICES, AND MARKETS

(1) The Bank shall not add any new product or service, or expand into any new market, without evaluating the BSA and Sanctions risks posed by adding the new product or service or expanding into the new market and ensuring the Bank has adequate controls to mitigate such risks. The Bank shall provide quarterly written reporting to the Examiner-in-Charge of the addition of any new product or service or expansion into any new market as set forth in the Action Plan for which the Examiner-in-Charge has provided no supervisory objection.

(2) The Bank shall not add any new product or service with high BSA or Sanctions Risk or expand into a new market with high BSA or Sanctions risk, without also receiving a prior written determination of no supervisory objection from the Examiner-in-Charge.

ARTICLE XVII

GENERAL BOARD RESPONSIBILITIES

(1) The Board, directly or through one of its committees, 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. The full Board remains ultimately responsible for ensuring the Bank's BSA and Sanctions compliance and compliance with this Order.

(2) In each instance in which this Order imposes responsibilities upon the Board or one of its committees, 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 on the Board 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 knowledge, expertise, 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 XVIII

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 XIX

OTHER PROVISIONS

- (1) As a result of this Order, the Bank is not:
 - (a) precluded from being treated as an “eligible bank” for the purposes of 12 C.F.R. Part 5, unless the Bank fails to meet any of the requirements contained in subparagraphs (1) – (4) of 12 C.F.R. § 5.3, Definitions, *Eligible bank or eligible savings association*, or is otherwise informed in writing by the OCC;
 - (b) 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 or the limitations on golden parachute payments set forth in 12 C.F.R. Part 359, unless the Bank is otherwise subject to such requirements pursuant to 12 C.F.R. § 5.51(c)(7)(i) and (iii); and
 - (c) precluded from being treated as an “eligible bank” for the purposes of 12 C.F.R. Part 24, unless the Bank fails to meet any of the requirements contained in 12 C.F.R. § 24.2(e)(1)-(3) or is 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 XX

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 and/or violations of law

described in the Comptroller's Findings set forth in Article II of this Order, to the extent known to the OCC as of the effective date 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 the practices and/or violations described in Article II of this Order, to the extent known to the OCC as of the effective date of this Order.

- (2) Nothing in this Order shall prevent the OCC from:
 - (a) instituting enforcement actions other than a cease and desist order, including a civil money penalty action, against the Bank based on the Comptroller's Findings set forth in Article II of this Order;
 - (b) instituting enforcement actions, including cease and desist and civil money penalty actions, against the Bank based on findings other than those set forth in Article II of this Order, including:
 - (i) any practices and/or violations identified by the OCC to the Bank in a formal written communication after the date of this Order;
 - (ii) if the OCC determines that the Bank has continued, or failed to correct, the practices and/or violations described in Article II of this Order; or
 - (iii) if the OCC determines that the Bank is violating or has violated this Order.

These actions could include additional requirements and restrictions, such as: requirements that the Bank make or increase investments, acquire or hold additional capital or liquidity, or simplify or reduce its operations; or

restrictions on the Bank's growth, business activities, or payment of dividends.

- (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 Deputy Comptroller 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 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 his signature on behalf of the Comptroller.

//s// Digitally Signed, Dated: 2024.12.23

Greg J. Coleman
Senior Deputy Comptroller
Large Bank Supervision

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

<u>/s/</u> Brian T. Moynihan	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Sharon L. Allen	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Jose E. Almeida	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Pierre J.P. de Weck	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Arnold W. Donald	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Linda P. Hudson	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Monica C. Lozano	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Lionel L. Nowell, III	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Denise L. Ramos	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Clayton S. Rose	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Michael D. White	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Thomas D. Woods	<u>Nov. 27, 2024</u> Date
<u>/s/</u> Maria T. Zuber	<u>Nov. 27, 2024</u> Date