

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

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| In the Matter of |) | |
| |) | |
| DORAL BANK |) | ORDER TO PAY |
| SAN JUAN, PUERTO RICO |) | CIVIL MONEY PENALTY |
| |) | |
| (Insured State Nonmember Bank) |) | FDIC-09-228k |
| _____ |) | |

DORAL BANK, SAN JUAN, PUERTO RICO ("Bank"), has been advised of its right to receive a NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY, FINDINGS OF FACT AND CONCLUSIONS OF LAW, ORDER TO PAY, AND NOTICE OF HEARING ("NOTICE OF ASSESSMENT") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the violations for which a civil money penalty may be assessed against the Bank pursuant to the Flood Disaster Protection Act of 1973 ("Flood Act"), as amended, 42 U.S.C. § 4012a, section 8(i)(2) of the Federal Deposit Insurance Act ("FDI Act"), 12 U.S.C. § 1818(i)(2), and Part 339 of the FDIC's Rules and Regulations, 12 C.F.R. Part 339 ("Part 339"), and has been further advised of its right to a hearing on the charges under the Flood Act, 42 U.S.C. § 4012a(f)(4), and Part 308 of the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308.

Having waived those rights, the Bank entered into a

STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY CIVIL MONEY PENALTY ("CONSENT AGREEMENT") with a representative of the Legal Division of the FDIC, whereby solely for the purpose of this proceeding and without admitting or denying any violations, the Bank consented and agreed to pay a civil money penalty in the amount of \$38,030 related to the violations of the Flood Act and Part 339. The FDIC has reason to believe that the Bank committed the following violations of the Flood Act and Part 339:

(a) the Bank violated 12 C.F.R § 339.3(a) by making, increasing, extending or renewing nine loans secured by buildings located in a special flood hazard area without having adequate flood insurance policies in place;

(b) the Bank violated 12 C.F.R. § 339.3(a) by permitting flood insurance policies for buildings located in a special flood hazard to lapse on 71 occasions;

(c) the Bank violated 12 C.F.R § 339.9(a) by failing on ten occasions to furnish required written notice to borrowers of loans secured by buildings located in a special flood hazard area regarding the availability of flood insurance;

(d) the Bank violated 12 C.F.R. § 339.9(a) on 12 other occasions by failing to provide required notice to borrowers of loans secured by multiple buildings located in a special flood hazard area of the availability of flood insurance with respect to each separate building for such loans; and

(e) the Bank violated 12 C.F.R. 339.9(c) on eight occasions by failing to furnish the required notice of the availability of flood insurance within a reasonable time prior to the to the loan closing on transactions involving loans secured by buildings located in a special flood hazard area.

After taking into account the CONSENT AGREEMENT, the appropriateness of the penalty with respect to the financial resources and good faith of the Bank, the gravity of the violations by the Bank, the history of previous violations by the Bank, and such other matters as justice may require, the FDIC accepts the CONSENT AGREEMENT and issues the following:

ORDER TO PAY CIVIL MONEY PENALTY

IT IS HEREBY ORDERED that DORAL BANK, SAN JUAN, PUERTO RICO, be, and hereby is, assessed a civil money penalty of

