

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT

SACRAMENTO, CALIFORNIA

In the Matter of

BANAMEX USA
CENTURY CITY, CALIFORNIA

(FDIC-INSURED STATE NONMEMBER
BANK)

JOINT ORDER TO PAY
CIVIL MONEY PENALTY

FDIC-14-0259k

BANAMEX USA, Century City, California ("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 CIVIL MONEY PENALTY, AND NOTICE OF HEARING issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the alleged violations of law and regulations for which a civil money penalty may be assessed against the Bank pursuant to 12 U.S.C. § 1818(i)(2) and has been further advised of the right to a hearing on the alleged charges under 12 U.S.C. § 1818(i)(2) and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308. The Bank also has been advised of its rights under California Financial Code ("Financial Code") section 329 to receive notice, an opportunity to be heard, and findings of fact incorporating a determination in accordance with Financial Code section 329, subdivision (e) before the Commissioner of the California Department of Business Oversight ("Commissioner")

levies civil penalties upon it. Such notice may include a NOTICE OF INTENTION TO ISSUE ORDER LEVYING CIVIL PENALTIES and an ACCUSATION LEVYING CIVIL PENALTIES, which would detail the violations of law, orders, and/or agreements alleged to have been committed by the Bank.

Having waived those rights, the Bank entered into a JOINT STIPULATION AND CONSENT TO THE ISSUANCE OF A JOINT ORDER TO PAY CIVIL MONEY PENALTY (“JOINT CONSENT AGREEMENT”) with the FDIC and with the Commissioner, dated July 21st, 2015, whereby, solely for the purpose of this proceeding and without admitting or denying any violations of law or regulation, the Bank consented to the issuance of this JOINT ORDER TO PAY CIVIL MONEY PENALTY (“JOINT ORDER TO PAY”) by the FDIC and the Commissioner. The FDIC and the Commissioner considered the matter and determined that they have reason to believe that the Bank committed violations of law including but not limited to violations of the Bank Secrecy Act, 31 U.S.C. § 5311 et seq., 12 U.S.C. § 1829b, 12 U.S.C. §§ 1951-1959, and its implementing regulations, 31 C.F.R. Chapter X, section 326.8 and Part 353 of the FDIC’s Rules and Regulations, 12 C.F.R. § 326.8 and Part 353, and sections 23A and 23B of the Federal Reserve Act, 12 U.S.C. §§ 371c and 371c-1. The FDIC and the Commissioner have also determined that they have reason to believe that the Bank meets the requirements for a “Tier II” civil money penalty, pursuant to 12 U.S.C. § 1818(i)(2)(B). In addition, the FDIC and the Commissioner have determined that they have reason to believe that the Bank has failed to comply with the August 2, 2012 Consent Order issued by the FDIC and the Commissioner pursuant to 12 U.S.C. § 1818(b) and Section 580 of the Financial Code.

After taking into account the JOINT CONSENT AGREEMENT, the appropriateness of the civil money penalty with respect to the financial resources and good faith of the Bank, the gravity of

the violations by the Bank, any history of previous violations by the Bank, and such other matters as justice may require, the FDIC has determined that a civil money penalty of One Hundred Forty Million Dollars (\$140,000,000) is appropriate to be assessed against the Bank by the FDIC and the Commissioner has determined that a civil money penalty of Forty Million Dollars (\$40,000,000) is appropriate to be assessed against the Bank by the Commissioner. These penalties shall be satisfied by payments totaling \$140 million (\$140,000,000), as ordered below. The FDIC and Commissioner, therefore, accept the JOINT CONSENT AGREEMENT and issue the following:

JOINT ORDER TO PAY

IT IS ORDERED that a civil money penalty in the amount of One Hundred Forty Million Dollars (\$140,000,000) be, and hereby is, assessed against the Bank by the FDIC.

IT IS ORDERED that a civil money penalty in the amount of Forty Million Dollars (\$40,000,000) be, and hereby is, assessed against the Bank by the Commissioner.

The civil money penalties hereby assessed by the FDIC and the Commissioner shall be satisfied by payments totaling \$140 million (\$140,000,000) with one payment in the amount of One Hundred Million Dollars (\$100,000,000) to the Treasury of the United States and one payment in the amount of Forty Million Dollars (\$40,000,000) to the Commissioner.

The issuance of this JOINT ORDER TO PAY does not bar, estop, or otherwise prevent any actions against the Bank by any other Federal or State agency or department in connection with this or any other matter; or any actions against any of the Bank's current or former institution affiliated parties or agents, in connection with this or any other matter, by the FDIC, the Commissioner or any other Federal or State agency.

The provisions of this JOINT ORDER TO PAY shall be binding upon the Bank, its institution-affiliated parties, and any successors and assigns thereof.

The provisions of this JOINT ORDER TO PAY shall remain effective and enforceable except to the extent that, and until such time as, any provision has been modified, terminated, suspended, or set aside by the FDIC and the Commissioner.

This JOINT ORDER TO PAY shall be effective upon its issuance.

Pursuant to delegated authority.

Dated at Washington, D.C., this 22nd day of July, 2015.

LISA D. ARQUETTE
Associate Director
Division of Risk Management Supervision

Dated at Sacramento, California this 22 day of July, 2015.

JAN LYNN OWEN
Commissioner of Business Oversight