

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

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<b>In the Matter of:</b>	)	
Meline Arpajian	)	
	)	AA-EC-04-67
Former Operations Assistant	)	
Union Bank of California	)	
San Francisco, California	)	
	)	
Client Service Supervisor	)	
City National Bank	)	
Beverly Hills, California	)	
	)	

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**STIPULATION AND CONSENT ORDER TO THE ISSUANCE OF  
AN ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF**

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) contends that Meline Arpajian (“Respondent”), when applying for employment at Union Bank of California, San Francisco, California (“Union Bank”) in 2000, and at City National Bank, Beverly Hills, California (“City National”) in 2003, engaged or participated in unsafe or unsound practices by: 1) not disclosing in her Union Bank employment application that she had been discharged by a previous employer, Washington Mutual Bank (“WAMU”); and 2) not disclosing in her City National employment applications that she had been discharged by WAMU and Union Bank; and

WHEREAS, the Comptroller intends to initiate this cease and desist proceeding against Respondent pursuant to 12 U.S.C. § 1818(b) (as amended); and

WHEREAS, Respondent, without admitting or denying any wrongdoing, and in the interest of cooperation and to avoid the costs associated with future administrative

and judicial proceedings with respect to the above matter, consents to the issuance of this Stipulation and Consent Order to the Issuance of an Order to Cease and Desist for Affirmative Relief (“Order”);

NOW, THEREFORE, in consideration of the above premises, it is stipulated by and between the Comptroller, through his duly authorized representative, and Respondent that:

## Article I

### JURISDICTION

(1) Union Bank of California and City National Bank are national banking associations, chartered and examined by the Comptroller, pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 et seq. Accordingly, each Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent was a Operations Assistant at Union Bank and is a Client Services Supervisor at City National Bank and is an “institution-affiliated party” of the Banks as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years from the date hereof (see 12 U.S.C. § 1818(i)(3)).

(3) Pursuant to 12 U.S.C. § 1813(q), the Comptroller is the “appropriate Federal banking agency” to maintain an enforcement proceeding against institution-affiliated parties. Therefore, Respondent is subject to the authority of the Comptroller to initiate and maintain this cease and desist proceeding against her pursuant to 12 U.S.C. § 1818(b).

## Article II

### PRIOR NOTICE

(1) Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that:

- (a) If the Respondent is currently an “institution-affiliated party” (as defined in 12 U.S.C. § 1813(u)) of any institution specified in 12 U.S.C. § 1818(e)(7)(A), Respondent shall provide the chief executive officer of the institution with a copy of this Order.
- (b) Within ten (10) days from the date of the execution of this Order, Respondent shall provide written certification of her compliance with paragraph (1)(a) to the Director of the Enforcement and Compliance Division, Office of the Comptroller of the Currency, 250 E St. SW, Washington, DC, 20219.
- (c) Prior to accepting any new position that causes her to become an “institution-affiliated party” (as defined in 12 U.S.C. § 1813(u)) of any institution specified in 12 U.S.C. § 1818(e)(7)(A), Respondent shall provide the chief executive officer of the institution with a copy of this Order.
- (d) Within ten (10) days after her acceptance of any position described in paragraph (1)(c), Respondent shall provide written notice of such acceptance to the Director of the Enforcement and Compliance Division, Office of the Comptroller of the Currency, 250 E St. SW,

Washington, DC, 20219, along with a written certification of her compliance with paragraph (1)(c).

(2) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. § 1818(b).

### Article III

#### DUTIES AND RESPONSIBILITIES

(1) The Comptroller hereby further orders that in the event Respondent is or ever becomes an “institution-affiliated party” as defined in 12 U.S.C. § 1813(u), she shall comply with the following provisions:

- (a) Respondent shall at all times comply with all applicable laws and regulations;
- (b) Respondent shall avoid engaging in any unsafe or unsound practices (as that term is used in 12 U.S.C. § 1818);
- (c) Respondent shall adhere to the written policies and procedures of any insured depository institution with which she may become affiliated, or seek and receive written permission from appropriate authorized individuals to do otherwise;
- (d) Respondent shall not breach her duties of loyalty or care owed to any insured depository institution with which she may become affiliated and shall, at all times, avoid placing her own interests above those of the institution; and

(e) Respondent, in all applications to obtain employment at any institution specified in 12 U.S.C. § 1818(e)(7)(A), shall list all previous employment as required by such applications and shall fully and truthfully disclose the reasons for leaving and/or separating from the previous employment listed. In the event that an application to obtain employment does not require Respondent to state the reasons for leaving and/or separating from previous employment, Respondent shall attach a copy of this Order to such an application. A failure to list all previous employment as required by an application to obtain employment and/or a failure to disclose fully and truthfully on an application to obtain employment the reasons for leaving and/or separating from previous employment is not cured by Respondent's subsequent verbal or written disclosures.

(2) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. § 1818(b).

#### Article IV

#### WAIVERS

- (1) By executing this Order, Respondent waives:
- (a) the right to the issuance of Notice under 12 U.S.C. § 1818(b);
  - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and 12 C.F.R. Part 19;

- (c) all rights to seek judicial review of this Order;
- (d) all rights in any way to contest the validity of this Order;
- (e) any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, 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; and
- (f) all rights to assert a “double jeopardy” claim in the event of a criminal prosecution brought by the Department of Justice for the acts which form the basis for issuance of this Order.

(2) Respondent shall not cause, participate in or authorize City National (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any legal (or other professional) expense relative to the negotiation and issuance of this Order except in accordance with 12 C.F.R. § 7.2014 and Part 359; and Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from the City National (or any subsidiary or affiliate thereof) with respect to such amounts except in accordance with 12 C.F.R. § 7.2014 and Part 359.

(3) Respondent acknowledges that she has read and understands the premises and obligations of this Order and declares that no separate promise or inducement of any kind has been made by the Comptroller, his agents or employees to cause or induce the Respondent to agree to consent to the issuance of this Order and/or to execute this Order.

(4) It is hereby agreed that the provisions of this Order constitute a settlement of this cease and desist proceeding contemplated by the Comptroller. The Comptroller agrees not to institute proceedings for the specific acts, omissions, or violations, unless such acts, omissions, or violations reoccur.

(5) It is further agreed that the provisions of this Order shall not be construed as an adjudication on the merits and, except as set forth above, shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any action affecting the Respondent if, at any time, he deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(6) Respondent understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order, and that nothing herein constitutes, nor shall Respondent contend that it constitutes, a waiver of any right, power, or authority of any other representatives of the United States or agencies thereof, including the Department of Justice, to bring other actions deemed appropriate.

IN TESTIMONY WHEREOF, the undersigned have hereunto set their hands.

/s/ *Ronald G. Schneck*

*10/29/04*

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Ronald G. Schneck,  
Director  
Special Supervision Division

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Date

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**Signed**  
Meline Arpajian

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**10/22/04**  
Date