

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

In the Matter of:)	
Luis A. Romero)	
Former Item Processing Supervisor)	AA-EC-04-74
Union Bank of California, National Association)	
San Francisco, California)	

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) contends that Luis A. Romero (“Respondent”), as an Item Processing Supervisor at Union Bank of California, San Francisco (“Bank”), systematically diverted Bank funds totaling \$24,494.18 for his personal benefit between April 2000 and August 2000;

WHEREAS, the Comptroller contends that Respondent has returned \$11,680.97 to the Bank and has yet to return \$12,813.21 to the Bank;

WHEREAS, the Comptroller contends that Respondent engaged in unsafe or unsound practices in connection with the affairs of the Bank, causing the Bank to suffer financial loss and Respondent to receive financial gain;

WHEREAS, the Comptroller contends that the unsafe or unsound practices engaged in by Respondent involved personal dishonesty on the part of Respondent and demonstrated willful disregard for the Bank’s safety or soundness;

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

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, the Comptroller and

Initialed _____
Date _____

Respondent desire to enter into this Stipulation and Consent Order (“Order”); and

WHEREAS, Respondent, in the interest of cooperation and without admitting or denying any wrongdoing, consents to the issuance of this 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) The Bank is a national banking association, chartered and examined by the Comptroller, pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 et seq. Accordingly, the Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent was a Item Processing Supervisor of the Bank and is an “institution-affiliated party” of the Bank 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 cease and desist and prohibition proceedings against him pursuant to 12 U.S.C. § 1818(b) and (e).

(4) 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), (e), (h), (i) and (j).

Article II

PROHIBITION ORDER

(1) With respect to the institutions and agencies set forth in paragraph (2) of this Article, and without admitting or denying any wrongdoing, Respondent hereby agrees that he shall not:

- (a) participate in any manner in the conduct of their affairs;
- (b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights;
- (c) violate any voting agreement previously approved by the “appropriate Federal banking agency,” as defined in 12 U.S.C. § 1813(q) (as amended);
or
- (d) vote for a director, or serve or act as an “institution-affiliated party,” as defined in 12 U.S.C. § 1813(u) (as amended).

(2) The prohibitions in paragraph (1) of this Article apply to the following institutions and agencies:

- (a) any insured depository institution, as defined in 12 U.S.C. § 1813(c);
- (b) any institution treated as an insured bank under 12 U.S.C. §§ 1818(b)(3), (b)(4), or as a savings association under 12 U.S.C. § 1818(b)(9) (as amended);
- (c) any insured credit union under the Federal Credit Union Act;
- (d) any institution chartered under the Farm Credit Act of 1971;
- (e) any appropriate Federal depository institution regulatory agency; and

(f) the Federal Housing Finance Board and any Federal Home Loan Bank.

(3) The prohibitions of paragraphs (1) and (2) of this Article shall cease to apply with respect to a particular institution if Respondent obtains the prior written consent of both the Comptroller and the institution's "appropriate Federal financial institutions regulatory agency," as defined in 12 U.S.C. § 1818(e)(7)(D) (as amended).

Article III

CEASE AND DESIST ORDER FOR RESTITUTION

(1) Without admitting or denying any wrongdoing, Respondent hereby consents to the payment of restitution to the Bank in the amount of \$12,813.21 (Twelve Thousand Eight Hundred Thirteen and 21/100 Dollars) ("Restitution Amount"), which shall be paid according to the procedures and schedule set forth below:

(a) Beginning November 1, 2004, and on the first business day of each month thereafter until the Restitution Amount has been paid in full, Respondent shall make payment to the Bank in an amount not less than \$360.00 (Three Hundred Sixty and 00/100 Dollars). However, in the event that the balance of the Restitution Amount to be paid is less than \$360.00 (Three Hundred Sixty and 00/100 Dollars), Respondent shall make payment to the Bank in the amount of the balance of the Restitution Amount to be paid. Each payment shall be made by check made payable to Union Bank of California and delivered to:

Union Bank of California
Risk Services #1 001 14
ATTN: Jim Martin
400 California St.
San Francisco, CA 94104

- (b) Simultaneously upon making each payment to the Bank, Respondent shall also deliver a copy of each check to:

Director, Enforcement & Compliance Division
Office of the Comptroller of the Currency
250 E St., S.W.
Washington, D.C. 20219

- (c) **If Respondent fails to make any payment as provided in this paragraph, the entire balance of the Restitution Amount shall become immediately due and payable.**

(2) Within seven (7) days from the issuance of this Order, Respondent shall notify the Director of the Enforcement & Compliance Division (“Enforcement Director”) of his current address, by completing the form attached hereto as Appendix A.

(3) Until the Restitution Amount is paid in full, upon each and every subsequent change in address, if any, Respondent shall notify the Enforcement Director of his new address within seven (7) days of such change in address.

Article IV

BANKRUPTCY

(1) If Respondent files for bankruptcy protection, under the laws of the United States, Respondent shall notify the Enforcement Director within ten (10) days of the filing and provide a copy of the filing to the Enforcement Director.

(2) In any bankruptcy proceeding in which it is or may be contended that Respondent's obligation to pay restitution pursuant to this Order is subject to discharge, Respondent will in no manner contest the assertion of the Comptroller or any agent, officer or representative of the United States, pursuant to 11 U.S.C. § 523(a)(11) or otherwise, that the restitution obligation in the Order arises out of acts which result in claims not dischargeable in bankruptcy.

Article V

WAIVERS

- (1) By executing this Order, Respondent waives:
- (a) the right to the issuance of Notice under 12 U.S.C. § 1818(b) and (e);
 - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and (e) 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 the Bank (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any expense for the payment of restitution under this Order, or 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 Bank (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 he 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 the cease and desist and prohibition proceedings 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

1/19/05

Ronald G. Schneck
Director
Special Supervision Division

Date

01-07/2005

Signed
Luis A. Romero

Date