

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

In the Matter of:)
PineBank, National Association)
Miami, Florida)

CONSENT ORDER

The Comptroller of the Currency of the United States of America ("Comptroller"), through his National Bank Examiner, has examined PineBank, National Association, Miami, Florida ("Bank"). The findings of that examination are contained in the Report of Examination dated as of June 30, 2004 ("ROE").

The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a "Stipulation and Consent to the Issuance of a Consent Order," dated January 23, 2006, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference herein, the Bank has consented to the issuance of this Consent Order ("Order") by the Comptroller.

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:

ARTICLE I

Compliance Committee

(1) Within five (5) business days, the Board shall create or designate one or more committees composed of at least three (3) directors, which shall be responsible for ensuring, monitoring and coordinating the Bank's compliance with and implementation of the provisions of this Order ("Compliance Committee(s)"). No more than one (1) member of the Compliance

Committee(s) shall be an employee of the Bank or any of its affiliates (as the term "affiliate" is defined in 12 U.S.C. § 371c(b)(1)), or a family member of any such person.

(2) The Compliance Committee(s) shall meet at least monthly and shall submit a written progress report to the Board setting forth in detail their actions taken to comply with each Article of this Order.

(3) Within thirty (30) days, and monthly thereafter, the Board shall forward a copy of the Compliance Committees' reports, with any additional comments by the Board to the Director for Special Supervision ("Director"). All correspondence related to this Order, and any information, documentation, reports, plans and/or other written submissions which the Bank or its Board have agreed to submit pursuant to this Order shall be forwarded, by overnight mail, to:

Director for Special Supervision
Office of the Comptroller of the Currency
250 E Street, S.W.
Washington, DC 20219
Mail Stop 6-4

South Florida Field Office
Office of the Comptroller of the Currency
9800 Northwest 41st Street, Suite 120
Dora Costa Office Park
Miami, FL 33178

ARTICLE II

Strategic Plan

(1) The Board shall implement and thereafter ensure compliance with the terms of the written strategic plan for the Bank dated January 23, 2006, to which the Director previously issued a written determination of no supervisory objection on January 24, 2006, ("Strategic Plan"). Any subsequent amendments of, or revisions to, the Strategic Plan shall be forwarded to the Director for review and prior written determination of no supervisory objection.

Notwithstanding the foregoing, the Strategic Plan shall be terminated in the event of the completed acquisition of all or substantially all of the assets and liabilities of the Bank or a completed merger or acquisition of the Bank.

ARTICLE III

Bank Secrecy Act Program

(1) Within sixty (60) days, the Board shall fully implement a written program of policies and procedures, which incorporates a comprehensive system of internal controls, independent testing and audit to ensure ongoing compliance with the Bank Secrecy Act ("BSA") and anti-money laundering ("AML") safeguards. The program shall be risk-based and address all lines of business, including domestic and international operations. In addition, the program shall be sufficient to include the following:

- (a) A comprehensive, written assessment of bank-wide BSA/AML risks performed on at least an annual basis;
- (b) Operating procedures for performing effective due diligence prior to opening new accounts, and to diligently monitor high risk accounts;
- (c) Adequate controls and procedures to identify suspicious transactions and to report these transactions within required time frames;
- (d) Adequate controls and procedures to perform transaction testing on all accounts of Bank affiliates, and affiliates of Bank shareholders, to detect suspicious activity;
- (e) Stringent and effective due diligence over foreign correspondent bank accounts sufficient to prevent violations of the U.S.A. Patriot Act and the BSA;
- (f) Adequate controls and transactional testing procedures over correspondent bank accounts to ensure that:
 - (i) account profiles include documentation on the purpose of the account, how it is to be used (including third party transactions)

and the funding base;

- (ii) transaction and volume limits are established and the Bank monitors accounts for any deviation from those limits;
- (iii) the nature and purpose of transactions in the accounts conform to account profiles and expectations; and
- (iv) transactions outside profile limits are documented, investigated and appropriate action is taken by the Bank.

(g) A comprehensive training program for all appropriate operational and supervisory personnel to ensure that they:

- (i) understand the requirements of the BSA, USA Patriot Act, and Office of Foreign Assets Control (OFAC) regulations, including the reporting requirements for Suspicious Activity Reports pursuant to 12 C.F.R. Part 21, Subpart B;
- (ii) demonstrate sufficient knowledge of the nature and volume of third party transactions processed through correspondent bank accounts, and how to monitor those accounts for suspicious activity using automated reports and other resources; and
- (iii) recognize and report suspicious activity in accounts.

(h) Appointment of a qualified and independent officer who will be responsible for managing the Bank's compliance with the program, including filing Suspicious Activity Reports.

(2) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE IV

Bank Secrecy Act -Audit

(1) Within thirty (30) days, the Board shall engage an independent outside auditor. Such engagement shall provide that the auditor completes the audit of the Bank's performance pursuant to the BSA within ninety (90) days of engagement. This audit shall include an independent review of foreign correspondent bank account and transaction activity related thereto from January 1, 2003 until September 30, 2005, including closed accounts, to determine whether all suspicious activity was identified and reported. The scope of the review shall include a thorough review of third party transactions in the First Pine Bank account. The Bank shall file Suspicious Activity Reports on any suspicious activity identified during this review.

(2) Within thirty (30) days from the date of this Order, the Board shall implement a comprehensive audit program that on an annual basis uses a risk-based approach to require:

- (a) Sufficient coverage to evaluate the adequacy of internal controls designed to ensure compliance with the provisions of the BSA;
- (b) Transactional testing of 100% of high risk accounts that are internally rated "3" with a smaller random sample covering low medium risk accounts that are internally rated "1" to "2", to include verification and testing of all account activity over a minimum period of at least ninety (90) days;
- (c) Transactional testing of affiliate accounts over a minimum period of ninety (90) days;
- (d) Review of a minimum of ten percent (10%) of accounts internally rated medium to low to determine whether the ratings are appropriate;
- (e) Review of one hundred percent (100%) of Private Investment

Companies/Bearer Share accounts;

- (f) A high level of transactional testing for correspondent banks, politically exposed persons (PEPs) and money service businesses (MSBs);
- (g) Evaluation of the Bank's due diligence efforts and monitoring processes for foreign correspondent bank accounts;
- (h) Validation of know-your-customer profiles to determine whether profiles were established consistent with Bank policy, that profiles were reviewed and approved by Bank management, and that the Bank's compliance function effectively ensures that accounts comply with Bank policy and regulations;
- (i) Evaluation of the BSA Officer's performance to monitor and ensure the Bank's compliance with BSA, including (1) risk-based internal controls; (2) ability to effect corrective action for identified deficiencies; and (3) ability to ensure that Bank management implements systems and controls to detect potentially suspicious transactions;
- (j) An evaluation of whether the Bank's controls, procedures and staff are adequate for the level of BSA/AML risk at the Bank;
- (k) Adherence to the Bank's audit schedule; and
- (l) Prompt management responses and follow-up to all audit exceptions or other recommendations of the Bank's auditors.

(3) Audit reports shall be prepared and provided directly to the Board or a committee thereof. The Board shall ensure, and hold Bank management accountable for, timely implementation of corrective actions to audit deficiencies and recommendations.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems

to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE V

Suspicious Activity Reports

(1) Within thirty (30) days, the Board shall implement a written program establishing a system of internal controls and processes to ensure compliance with the requirements to file Suspicious Activity Reports set forth in 12 C.F.R. § 21.11, as amended. At a minimum, this written program shall:

- (a) Assign responsibility to a qualified individual to manage the program;
- (b) Establish procedures for identifying and reporting known or suspected violations of Federal law, violations of the BSA, or suspicious transactions related to money laundering activity; and
- (c) Require adequate follow-up on accounts on which the Bank files Suspicious Activity Reports to ensure that the suspicious activity has ceased, or is not occurring by the same customers through other accounts.

(2) The Bank shall file any Suspicious Activity Reports pursuant to 12 C.F.R. § 21.11 for any previously unreported suspicious activity identified in the ROE, or in any audit, or in any future examination or audit, and advise the Board in writing of all Suspicious Activity Reports filings.

(3) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE VI

Violations of Law

(1) The Board shall immediately take all necessary steps to ensure that Bank management corrects each violation of law, rule or regulation cited in the ROE and in any

subsequent Report of Examination.

(2) Within forty-five (45) days, the Board shall adopt, implement, and thereafter ensure Bank adherence to specific procedures to prevent future violations as cited in the ROE and shall adopt, implement, and ensure Bank adherence to general procedures addressing compliance management which incorporate internal control systems and training of employees regarding laws, rules and regulations applicable to their areas of responsibility.

(3) Within forty-five (45) days of receipt of any subsequent Report of Examination which cites violations of law, rule, or regulation, the Board shall adopt, implement, and thereafter ensure Bank adherence to specific procedures to prevent future violations as cited in the Report of Examination and shall adopt, implement, and ensure Bank adherence to general procedures addressing compliance management which incorporate internal control systems and training of employees regarding laws, rules and regulations applicable to their areas of responsibility. Upon adoption, a copy of these procedures shall be promptly forwarded to the Director.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the procedures developed pursuant to this Article.

ARTICLE VII

Extensions Of Time

(1) If the Board determines that an exception to any provision of this Order is in the best interests of the Bank, or requires an extension of any timeframe within this Order, the Board shall submit a written request to the Director asking for relief. Any written requests submitted pursuant to this Article shall include a statement setting forth in detail the special circumstances that prevent the Bank from complying with any provision, that require the Director to exempt the Bank from any provision, or that require an extension of any timeframe within this Order. All

such requests shall be accompanied by relevant supporting documentation. The Director's decision concerning the request is final and not subject to further review.

ARTICLE VIII

Closing

(1) Although the Bank is required to submit certain proposed actions and programs for the review or prior determination of no supervisory objection of the Director, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) It is expressly and clearly understood that if, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States of America to undertake any action affecting the Bank, nothing in this Order shall in any way inhibit, estop, bar or otherwise prevent the Comptroller from so doing.

(3) Any time limitations imposed by this Order shall begin to run from the effective date of this Order, unless otherwise stated

(4) The provisions of this Order are effective upon issuance of this Order by the Comptroller, through his authorized representative whose hand appears below, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller.

(5) In each instance in this Order in which the Bank or the Board is required to ensure adherence to, and undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

- (a) Authorize and adopt such actions on behalf of the Bank as may be necessary for the Bank to perform its obligations and undertakings under the terms of this Order;

- (b) Require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Order;
- (c) Follow-up on any non-compliance with such actions in a timely and appropriate manner; and
- (d) Require corrective action be taken in a timely manner of any non-compliance with such actions.

(6) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States.

(7) This Order shall not be construed to be an “order” within the meaning of 12 C.F.R. § 6.4.

(8) 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.

IT IS SO ORDERED, this 25th day of January, 2006.

signed

Ronald G. Schneck
Director for Special Supervision
Office of the Comptroller of the Currency

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

In the Matter of:)
PineBank, National Association)
Miami, Florida)

**STIPULATION AND CONSENT TO THE ISSUANCE
OF A CONSENT ORDER**

The Comptroller of the Currency of the United States of America (Comptroller) has initiated cease and desist proceedings against PineBank, National Association, Miami, Florida (Bank) pursuant to 12 U.S.C. § 1818(b).

The Bank, in the interest of compliance and cooperation, consents to the issuance of a Consent Order, dated 1/25/2006 (Order);

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its duly elected and acting Board of Directors, hereby stipulate and agree to the following:

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.*
- (2) The Office of the Comptroller of the Currency ("OCC") is "the appropriate Federal banking agency" regarding the Bank pursuant to 12 U.S.C. §§ 1813(q) and 1818(b).
- (3) The Bank is an "insured depository institution" within the meaning of 12 U.S.C. § 1818(b)(1).

ARTICLE II

Agreement

(1) The Bank, without admitting or denying any wrongdoing, hereby consents and agrees to the issuance of the Order by the Comptroller.

(2) The Bank further agrees that said Order shall be deemed an "order issued with the consent of the depository institution" as defined in 12 U.S.C. § 1818(h)(2), and consents and agrees that said Order shall become effective upon its issuance and shall be fully enforceable by the Comptroller under the provisions of 12 U.S.C. § 1818(i). Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the OCC may enforce any of the commitments or obligations herein undertaken by the Bank under its supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the OCC has any intention to enter into a contract.

(3) The Bank also expressly acknowledges that no OCC officer or employee has statutory or other authority to bind the United States, the United States Department of the Treasury, the OCC, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the OCC's exercise of its supervisory responsibilities.

ARTICLE III

Waivers

(1) The Bank, by signing this Stipulation and Consent, hereby waives:

(a) Any and all procedural rights available in connection with the issuance of the Order;

- (b) All rights to seek any type of administrative or judicial review of the Order; and
- (c) Any and all rights to challenge or contest the validity of the Order.

ARTICLE IV

Other Action

(1) The Bank agrees that the provisions of this Stipulation and Consent shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank 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.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his representative, has hereunto set his hand on behalf of the Comptroller.

signed

Ronald G. Schneck
Director for Special Supervision
Office of the Comptroller of the Currency

1/25/2006

Date

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

signed
Frank Garcia

1/23/06
Date

signed
Michael L. Gerrard

1/23/06
Date

signed
Jose R. Gutierrez

1-23-06
Date

signed
Jose Paulucci

1-23-06
Date

signed
Juan Sanchez

1/23/06
Date

signed
Marcelino Vazquez

1-23-06
Date