

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

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In the Matter of:)	
Doha Bank,)	
New York, New York)	
)	AA-NE-09-24
A Federal Branch of)	
)	
Doha Bank,)	
Doha, Qatar)	

CONSENT ORDER FOR CIVIL MONEY PENALTY

The Comptroller of the Currency of the United States of America (“Comptroller”), through the national bank examiners of the Office of the Comptroller of the Currency (“OCC”), commenced an examination of Doha Bank, New York, New York (“Branch”), a Federal branch of Doha Bank, Doha, Qatar (“Bank”) on November 19, 2005, and identified deficiencies in the Branch’s internal controls and audit function, particularly in the area of Bank Secrecy Act and Anti-Money Laundering compliance. The findings of the examinations were made known to the Branch.

The Bank, by and through its designated representative, duly authorized by the Bank’s Board of Directors, and the Branch, by and through its Chief Manager, duly authorized by the Bank, have executed a “Stipulation and Consent to the Issuance of an Order for Civil Money Penalty,” (“Stipulation and Consent”) dated April 20, 2009, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Branch has consented to the issuance of this Consent Order for Civil Money Penalty (“Order”) by the Comptroller.

COMPTROLLER'S FINDINGS

(1) Banks and Federal branches of foreign banks conducting funds transfer operations must have in place systems of internal controls to monitor the transactions for compliance with laws that is commensurate with the risk level of the institution's business. 12 U.S.C. § 21.21.

(2) The OCC previously cited the Branch for a violation of 12 U.S.C. § 21.21, which resulted in the Branch being placed under a formal enforcement action on November 16, 1999, and which was terminated by the OCC on March 21, 2001.

(3) As a result of the examination that commenced on November 19, 2005, the OCC again found the Branch in violation of 12 U.S.C. § 21.21, which resulted in a Consent Order dated September 19, 2006. The Consent Order mandated a look-back review of wire transfers, demand drafts, and pouch items processed by the Branch since May 1, 2004. The look-back was completed on January 30, 2008.

(4) The Branch engaged in substantial funds transfer operations for unaffiliated, high-risk exchange houses and for parties who did not have accounts at the Branch but whose transactions were originated by or received by other offices of the Bank and its affiliates or by other correspondent banks.

(5) This civil money penalty assessment is the result of deficiencies and violations identified by the OCC that occurred at the Branch between May 1, 2004 and January 16, 2007.

The Branch, in material respects:

- (a) Failed to adequately implement a program to monitor funds transfers, pouch activity, U.S. dollar demand draft services, and correspondent relationships for suspicious activity (unsafe and unsound practices that violated 12 C.F.R. § 21.21);

- (b) Failed to adequately audit, conduct independent testing, or manage the implementation of a program to monitor funds transfers, pouch activity and U.S. dollar demand draft services and correspondent relationships for suspicious activity (unsafe and unsound practices that violated 12 C.F.R. § 21.21);
- (c) Failed to adequately implement policies, procedures and processes to identify and research suspicious activity on funds transfers, pouch activity, U.S. dollar demand draft services and correspondent relationships, and file timely SARs involving suspicious transactions conducted through the Branch (unsafe and unsound practices that violated 12 C.F.R. § 21.11);
- (d) Failed to adequately implement a program to obtain sufficient information on foreign correspondent customers to determine whether it was obligated to file SARs on transactions being conducted by or through its foreign correspondent customers (unsafe and unsound practices that violated 31 C.F.R. § 103.176); and
- (e) Failed to correct a previously reported problem with its BSA Compliance Program pertaining to the requisite level of specialized knowledge for certain head office auditors that were used to provide independent testing for compliance with the requirements of the BSA (violation of 12 U.S.C. § 1818(s)).

NOW THEREFORE, pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, and the International Banking Act of 1978, as amended, 12 U.S.C. §§ 3102(b), 3102(g) and 3108(a), the Comptroller hereby orders that:

ARTICLE I
CIVIL MONEY PENALTY

(1) Without admitting or denying any wrongdoing, the Branch hereby consents to the payment of a civil money penalty in the amount of five million dollars (\$5,000,000), which shall be paid upon execution of this Order to the Treasurer of the United States.

- (a) If a check is the selected method of payment, the check shall be made payable to the Treasurer of the United States and shall be delivered to:
Comptroller of the Currency, P.O. Box 979012, St. Louis, Missouri
63197-9000, with a copy of the check sent to Director, Enforcement &
Compliance Division, 250 E Street, SW, Mail Stop 8-10, Washington, DC
20219.
- (b) If a wire transfer is the selected method of payment, it shall be sent to the Comptroller's account #XXXXXXX, ABA Routing #XXXXXXX. A copy of the wiring instructions shall be provided to the Director, Enforcement & Compliance Division, at the address listed in subparagraph (a) above.

(2) This penalty assessment shall be concurrent with the five million dollar (\$5,000,000) penalty assessed against the Branch by the Financial Crimes Enforcement Network and shall be satisfied by one payment of five million dollars (\$5,000,000) to the Department of the Treasury and delivery of a copy of the payment instrument to the Director of the OCC's Enforcement & Compliance Division, at the address set forth in paragraph (1) of this Article.

(3) 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(h) and (i) (as amended).

ARTICLE II
CLOSING

(1) This Order is not intended to, and shall not, supplant or amend any provisions of the September 19, 2006, Consent Order entered into between the Branch and the Comptroller.

(2) 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 Branch, nothing in this Order shall in any way inhibit, estop, bar or otherwise prevent the Comptroller from so doing.

(3) 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.

(4) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(i)(2), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States.

(5) The provisions of this Order constitute a settlement of the civil money penalty proceeding contemplated by the Comptroller.

(6) 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 20th day of April, 2009.

signed

April 20, 2009

Delora Ng Jee
Deputy Comptroller
International Banking Supervision
Office of the Comptroller of the Currency

Date

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

<u>In the Matter of:</u>)	
Doha Bank,)	
New York, New York)	
)	AA-NE-09-24
A Federal Branch of)	
)	
Doha Bank,)	
<u>Doha, Qatar</u>)	

**STIPULATION AND CONSENT TO THE ISSUANCE
OF AN ORDER FOR CIVIL MONEY PENALTY**

The Comptroller of the Currency of the United States of America (“Comptroller”) has agreed to a Consent Order with Doha Bank, New York, New York, (“Branch”), a Federal branch of Doha Bank, Doha, Qatar (“Bank”), and the Bank, pursuant to 12 U.S.C. § 3101 et seq., and the assessment of a civil money penalty against the Branch pursuant to 12 U.S.C. § 1818(i)(2).

The Bank and the Branch, in the interest of compliance and cooperation, and without admitting or denying any wrongdoing, consent to the issuance of a Consent Order for Civil Money Penalty, dated April 20, 2009 (“Order”).

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its designated representative as authorized by its Board of Executive Directors, and the Branch, through its Chief Manager, duly authorized by the Bank, hereby stipulate and agree to the following:

ARTICLE I
JURISDICTION

(1) The Branch is a Federal branch licensed and examined by the Comptroller pursuant to the International Banking Act of 1978, as amended, 12 U.S.C. § 3101 *et seq.*

(2) The Comptroller is “the appropriate Federal banking agency” regarding the Branch pursuant to 12 U.S.C. §§ 1813(q), 1818(i)(2)(E) and 3108(b).

ARTICLE II
AGREEMENT

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

(2) The Branch 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) and 3101 *et seq.*

(3) Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein undertaken by the Branch under its supervisory powers, including 12 U.S.C. § 1818(i), not as a matter of contract law. The Branch expressly acknowledges that neither the Branch nor the Comptroller has any intention to enter into a contract.

(4) The Branch declares that no separate promise or inducement of any kind has been made by the Comptroller, or by his agents or employees, to cause or induce the Branch to agree to consent to the issuance of the Order and/or to execute the Order.

(5) The Branch expressly acknowledges that no officer or employee of the Office of the Comptroller of the Currency has statutory or other authority to bind the United States, the U.S. Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller’s exercise of its supervisory responsibilities.

(6) The Branch also expressly acknowledges 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 the Branch 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.

ARTICLE III
WAIVERS

- (1) The Branch, by signing this Stipulation and Consent, hereby waives:
- (a) the issuance of an Assessment of a Civil Money Penalty pursuant to 12 U.S.C. § 1818(i)(2) (as amended);
 - (b) any and all procedural rights available in connection with the issuance of the Order;
 - (c) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. §§ 1818(h) and (i)(2) (as amended) and 12 C.F.R. Part 19;
 - (d) all rights to seek any type of administrative or judicial review of the 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 the 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) any and all rights to challenge or contest the validity of the Order.

ARTICLE IV
CLOSING

(1) The Branch agrees that the provisions of this Stipulation and Consent and the Order shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Branch if, at any time, he or she deems it appropriate to do so to fulfill the responsibilities placed upon him or her by the several laws of the United States of America.

(2) The Branch also agrees that the terms of the Order are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

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

signed

April 20, 2009

Delora Ng Jee
Deputy Comptroller
International Banking Supervision
Office of the Comptroller of the Currency

Date

IN TESTIMONY WHEREOF, the designated representative of the Bank, as authorized by its Board of Executive Directors, and the Chief Manager of the Branch, as authorized by the Bank, have hereunto set their hands on behalf of the Branch.

Signed _____
R. Seetharaman CEO
Designated Representative
Doha Bank

04/20/2009 _____
Date

Signed _____
Krishnam C.K.
Chief Manager, New York Branch
Doha Bank

04/20/2009 _____
Date