

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

In the Matter of:)
Millennium bcpbank, N.A.)
Newark, New Jersey)

CONSENT ORDER

The Comptroller of the Currency of the United States of America (“Comptroller”), through his National Bank Examiner, has supervisory authority over Millennium bcpbank, N.A., Newark, New Jersey (“Bank”).

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 7-09-09 that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Bank has consented to the issuance of this Consent Order (“Order”) by the Comptroller, which supersedes and terminates the Formal Agreement entered into with the Bank on May 18, 2006.

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

ARTICLE I

COMPLIANCE COMMITTEE

(1) Within thirty (30) days of the date of this Order, the Board shall appoint a Compliance Committee of at least three (3) directors, of which no more than one (1) shall be an employee or controlling shareholder 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. Upon appointment,

the names of the members of the Compliance Committee and, in the event of a change of the membership, the name of any new member shall be submitted in writing to the Assistant Deputy Comptroller. The Compliance Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Order.

(2) The Compliance Committee shall meet at least monthly.

(3) Within sixty (60) days of the date of this Order and within ten (10) days of the end of each fiscal quarter thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

(a) actions taken to comply with each Article of this Order;

(b) the results and status of those actions; and;

(c) a description of the actions needed to achieve full compliance with each Article of this Order.

(4) The Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Assistant Deputy Comptroller.

ARTICLE II

STRATEGIC PLAN

(1) Within thirty (30) days of the date of this Order, and every thirty (30) days thereafter, the Board shall provide the Assistant Deputy Comptroller with a written analysis of the Board's and the Shareholder's efforts to sell, merge or liquidate the Bank.

(2) The written analysis required under Paragraph (1) of this Article must include timeframes and procedures for achieving the sale, merger or liquidation of the Bank, and the means by which the Bank will be valued and marketed.

(3) If, within one hundred twenty (120) days of the date of this Order, the Board and its Shareholder have not entered into a definitive agreement for the sale or merger of the Bank, the Board shall adopt, implement, and thereafter ensure Bank adherence to a written strategic plan for the Bank covering at least a three-year period. The strategic plan shall establish objectives for the Bank's overall risk profile, earnings performance, growth, balance sheet mix, capital adequacy, reduction in the volume of nonperforming assets, together with strategies to achieve those objectives. Individual responsibilities, accountability, and specific timeframes should be established for meeting these objectives.

(4) Upon completion, a copy of the strategic plan shall be forwarded to the Assistant Deputy Comptroller for review and prior determination of no supervisory objection. Immediately upon receiving a determination of supervisory non-objection, the strategic plan shall be implemented.

(5) The Bank must give the Assistant Deputy Comptroller at least sixty (60) days' advance, written notice of its intent to deviate significantly from the strategic plan.

(a) For purposes of this Article, changes that may constitute a significant deviation from the strategic plan include, but are not limited to, any significant deviations from marketing strategies, marketing partners, acquisition channels; underwriting practices and standards, account management strategies and test programs; collection strategies, partners or operations; fee structure, pricing, or fee application methods; accounting processes and practices; funding strategy; or any other changes in personnel, operations or external factors that may have a material impact on the Bank's operations or financial performance.

(b) Prior to making any changes that significantly deviate from the Bank's strategic plan, the Board shall perform an evaluation of the adequacy of the Bank's organizational structure, staffing, management information systems, internal controls and written policies and procedures to identify, measure, monitor, and control the risks associated with the product or service. The evaluation shall include an assessment of the impact of such change on the Bank's condition, including a profitability analysis.

(6) If the OCC determines, in its sole discretion, that the Bank is in non-compliance with paragraphs 1, 2, or 3 of this Article, the Bank shall, within thirty (30) days of receiving written notice from the OCC of such fact, develop and submit to the OCC for its review and prior written determination of no supervisory objection a Contingency Plan, which shall detail the Board's proposal to either: (i) sell or merge the Bank; or (ii) to liquidate the Bank in conformance with 12 U.S.C. § 181, and in a manner that will result in no loss or cost to the Federal Deposit Insurance Corporation. In order to be deemed acceptable, the contingency plan must, at a minimum, call for the execution of a definitive agreement to sell or merge the Bank or a shareholder vote to enter into liquidation under 12 U.S.C. § 181 within ninety (90) days of receipt of the OCC's supervisory non-objection. The Bank agrees that it will not schedule a vote of its shareholders so as to seek their approval to liquidate the Bank prior to securing the OCC's written determination of no supervisory objection to the Contingency Plan. After the OCC has advised the Bank in writing that it does not take supervisory objection to the Contingency Plan, the Board shall immediately implement, and shall thereafter ensure adherence to, the terms of the Contingency Plan. Failure to submit a timely, acceptable Contingency Plan may be deemed by the OCC, in the exercise of its discretion, to constitute a violation of this Order.

ARTICLE III

BOARD TO ENSURE COMPETENT MANAGEMENT

(1) As of the effective date of this Order, the Board shall identify and propose to the OCC for appointment, a new, competent individual to fulfill the position of Chief Executive Officer/Vice Chairman of the Board, to whom all executive officers of the Bank shall report. The Chief Executive Officer/Vice Chairman shall be vested with sufficient executive authority to fulfill the duties and responsibilities of the position and ensure the safe and sound operation of the Bank.

(2) Within ninety (90) days, and with the assistance of the new Chief Executive Officer/Vice Chairman, the Board shall strengthen supervision presently being provided to the Bank by assessing the Board of Director's effectiveness in light of the Bank's present condition. At a minimum, the Board and management shall assess:

- (a) The Board's strengths and weaknesses, including an analysis of the necessary qualifications and skills for individual members to serve as effective directors and properly supervise the bank's affairs;
- (b) Individual members qualifications and skills compared to necessary qualifications and skills to properly supervise the bank's affairs; and
- (c) The effectiveness of management to proactively identify, manage, and control significant risk adversely impacting the bank's performance and to achieve profitability and operate the bank in a safe and sound manner..

(3) Within ninety (90) days, the Board shall ensure that competent and capable management vested with sufficient executive authority are in place in the following critical

positions: Chief Financial Officer and Senior Credit Officer to ensure the safe and sound operation of the Bank. Should any of these positions be vacant now or in the future, including if the Board realigns an existing officer's responsibilities and the position becomes vacant, the Board shall within sixty (60) days of such vacancy appoint a capable person to the vacated position who shall be vested with sufficient executive authority to ensure the Bank's compliance with this Order and the safe and sound operation of the functions within the scope of the position's responsibility.

(4) Prior to the appointment of any individual to the positions outlined in paragraphs 1 2, or 3 of this Article, the Board shall submit to the Assistant Deputy Comptroller the following information:

- (a) the information sought in the "Changes in Directors and Senior Executive Officers" and "Background Investigations" booklets of the Comptroller's Licensing Manual, together with a legible fingerprint card for the proposed individual;
- (b) a written statement of the Board's reasons for selecting the proposed officer; and
- (c) a written description of the proposed officer's duties and responsibilities.

(5) The Assistant Deputy Comptroller shall have the power to disapprove the appointment of the proposed new officer. However, the lack of disapproval of such individual shall not constitute an approval or endorsement of the proposed officer.

(6) The requirement to submit information and the prior disapproval provisions of this Article are based on the authority of 12 U.S.C. § 1818(b)(6)(E) and do not require the

Comptroller to complete his/her review and act on any such information or authority within ninety (90) days.

(7) If the OCC determines, in its sole discretion, that the Bank is in non-compliance with paragraph 1, 2 or 3 of this Article, the Bank shall, within thirty (30) days of receiving written notice from the OCC of such fact, develop and submit to the OCC for its review and prior written determination of no supervisory objection a Contingency Plan, which shall detail the Board's proposal to either: (i) sell or merge the Bank; or (ii) to liquidate the Bank in conformance with 12 U.S.C. § 181, and in a manner that will result in no loss or cost to the Federal Deposit Insurance Corporation. In order to be deemed acceptable, the contingency plan must, at a minimum, call for the execution of a definitive agreement to sell or merge the Bank or a shareholder vote to enter into liquidation under 12 U.S.C. § 181 within ninety (90) days of receipt of the OCC's supervisory non-objection. The Bank agrees that it will not schedule a vote of its shareholders so as to seek their approval to liquidate the Bank prior to securing the OCC's written determination of no supervisory objection to the Contingency Plan. After the OCC has advised the Bank in writing that it does not take supervisory objection to the Contingency Plan, the Board shall immediately implement, and shall thereafter ensure adherence to, the terms of the Contingency Plan. Failure to submit a timely, acceptable Contingency Plan may be deemed by the OCC, in the exercise of its discretion, to constitute a violation of this Order.

ARTICLE IV

LOAN PORTFOLIO MANAGEMENT

(1) The Board shall, within sixty (60) days, develop, implement, and thereafter ensure Bank adherence to a written program to improve the Bank's loan portfolio management. The program shall include, but not be limited to:

- (a) Strengthening management of the financial credit analysis function to ensure that each borrower's financial condition is thoroughly reviewed and analyzed before credit is extended and that updated borrower financial information is reviewed and analyzed in a timely manner upon receipt.
- (b) Ensuring that all credit files contain all pertinent information that supports the current condition of the credit.
- (c) Ensuring that management fully understands the internal risk rating process and that management complies with regulatory guidelines for proper and timely risk rating of all credit facilities. This includes appropriately assigning non-accrual designation to problem credits.
- (d) Performing aggressive tactics and processes to obtain late or missing financial statements and documenting these efforts made in each credit file.
- (e) Developing and implementing a policy exception tracking system, including appropriate management reports which enable the Board and management to determine the extent to which the Bank has extended credit not in conformance with the policy. Exceptions should be tracked by loan type and originating officer.
- (f) Establish procedures to strengthen the analysis and monitoring of construction / development loans, including the use of feasibility studies, project marketability, global credit analysis and quarterly officer site visits supported by written file memorandums.
- (g) Develop processes to adequately monitor, aggregate and report on loans in excess of the supervisory loan-to-value limits.

(h) Preparing a formal methodology for tracking risk rating changes and to provide an audit trail for the credit files.

(i) Renegotiate engagement agreement with loan review to include in the scope adherence to the specific items in this Article.

(2) A copy of the Board's program shall be submitted to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection. Upon receiving a determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall implement and adhere to the program.

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

ARTICLE V

CAPITAL PLAN AND HIGHER MINIMUMS

(1) The Bank shall maintain the following capital levels (as defined in 12 C.F.R. Part 3):

(a) Tier 1 capital at least equal to thirteen percent (13%) of risk-weighted assets;

(b) Total risk based capital at least equal to fourteen (14%) of risk weighted assets;

and

(c) Tier 1 capital at least equal to nine percent (9%) of total assets.

(2) The requirement in this Order to meet and maintain a specific capital level means that the Bank may not be deemed to be "well capitalized" for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6 pursuant to 12 C.F.R. § 6.4(b)(1)(iv).

(3) Unless excepted in writing by the OCC, within ninety (90) days, the Board shall develop, implement, and thereafter ensure Bank adherence to a three year capital program. The program shall include:

- (a) specific plans for the maintenance of adequate capital that may in no event be less than the requirements of paragraph (1);
- (b) realistic projections for capital growth through retained earnings based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, and off-balance sheet activities and any contemplated revisions to the Bank's strategic plan;
- (c) sources and timing of additional capital to meet the Bank's current and future needs;
- (d) the primary source(s) from which the Bank will strengthen its capital structure to meet the Bank's needs;
- (e) contingency plans that identify alternative methods should the primary source(s) under (d) above not be available; and
- (f) Satisfactorily address the Sound Commercial Real Estate Risk Management Practices included in the report of examination.

(4) Upon completion, the Bank's capital program required by paragraph (3) of this Article shall be submitted to the Assistant Deputy Comptroller for prior determination of no supervisory objection. Upon receiving a determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall implement and adhere to the capital program. The Board shall review and update the Bank's capital program on an annual basis, or more frequently

if necessary. Copies of the reviews and updates shall be submitted to the Assistant Deputy Comptroller.

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

(6) If the OCC determines, in its sole discretion, that the Bank is in non-compliance with Paragraphs (1) or (3) of this Article, the Bank shall, within thirty (30) days of receiving written notice from the OCC of such fact, develop and submit to the OCC for its review and prior written determination of no supervisory objection a Contingency Plan, which shall detail the Board's proposal to either: (i) sell or merge the Bank; or (ii) to liquidate the Bank in conformance with 12 U.S.C. § 181, and in a manner that will result in no loss or cost to the Federal Deposit Insurance Corporation. In order to be deemed acceptable, the contingency plan must, at a minimum, call for the execution of a definitive agreement to sell or merge the Bank or a shareholder vote to enter into liquidation under 12 U.S.C. § 181 within ninety (90) days of receipt of the OCC's supervisory non-objection. The Bank agrees that it will not schedule a vote of its shareholders so as to seek their approval to liquidate the Bank prior to securing the OCC's written determination of no supervisory objection to the Contingency Plan. After the OCC has advised the Bank in writing that it does not take supervisory objection to the Contingency Plan, the Board shall immediately implement, and shall thereafter ensure adherence to, the terms of the Contingency Plan. Failure to submit a timely, acceptable Contingency Plan may be deemed by the OCC, in the exercise of its discretion, to constitute a violation of this Order.

ARTICLE VI

ADMINISTRATIVE APPEALS AND EXTENSIONS OF TIME

(1) If the Board determines that an exception to any provision of this Agreement is in the best interests of the Bank, or requires an extension of any timeframe within this Agreement, the Board shall submit a written request to the Assistant Deputy Comptroller asking for relief.

(2) 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 Assistant Deputy Comptroller to exempt the Bank from any provision, or that require an extension of any timeframe within this Agreement. All such requests shall be accompanied by relevant supporting documentation. The Assistant Deputy Comptroller's decision in granting the request is final and not subject to further review.

ARTICLE VII

CLOSING

(1) Although the Board is by this Order required to submit certain proposed actions and programs for the review or prior written determination of no supervisory objection of the Assistant Deputy Comptroller, 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 it 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. Such time limitations may be extended in writing by the Assistant Deputy Comptroller for good cause upon written application by the Board.

(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) 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.

(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 9th day of July, 2009.

/s/

Kristin A. Kiefer
Assistant Deputy Comptroller
New York Metro Field Office

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

In the Matter of:)
Millennium bcpbank, N.A.)
Newark, New Jersey)

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

The Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate cease and desist proceedings against Millennium bcpbank, N.A., Newark, New Jersey (“Bank”) pursuant to 12 U.S.C. § 1818(b) for unsafe and unsound banking practices that have resulted in the Bank’s poor financial condition and deficient earnings and asset quality.

The Bank, in the interest of compliance and cooperation, consents to the issuance of a Consent Order, dated 7-09-09 (“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 Comptroller 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).

(4) This Order shall cause the Bank to be designated as in “troubled condition,” as set forth in 12 C.F.R. § 5.51(c)(6), unless otherwise informed in writing by the Comptroller. In addition, this Agreement shall cause the Bank not to be designated as an “eligible bank” for purposes of 12 C.F.R. § 5.3(g), unless otherwise informed in writing by the Comptroller.

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) This Order supersedes and terminates the Formal Agreement entered into with the Bank on May 18, 2006.

(3) 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 Comptroller may enforce any of the commitments or obligations herein undertaken by the Bank under his 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 Comptroller has any intention to enter into a contract.

(4) The Bank also expressly acknowledges that no officer or employee of the Comptroller 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 his supervisory responsibilities.

ARTICLE III

Waivers

- (1) The Bank, by signing this Stipulation and Consent, hereby waives:
 - (a) the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818(b);
 - (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(i), 12 C.F.R. Part 19
 - (d) all rights to seek any type of administrative or judicial review of the Order; and
 - (e) 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, it deems it appropriate to do so to fulfill the responsibilities placed upon it 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 her hand on behalf of the Comptroller.

/s/
Kristin A. Kiefer
Assistant Deputy Comptroller
New York Metro Field Office

7-9-2009
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.

/s/
Jack Cussen

7/9/09
Date

/s/
Jack Brewer

6/9/09 (sic)
Date

/s/
Joao Raimundo

7/9/09
Date

/s/
John Rakkou

7/9/09
Date

/s/
Witold Sulimirski

7/9/09
Date

/s/
Pedro Belo

7/9/09
Date

/s/
Robert Swalef

7/9/09
Date

/s/

7/9/09