

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

In the Matter of:)
United Bank for Africa)
New York, New York)
)
a Federal branch of)
)
United Bank for Africa, PLC)
Lagos, Nigeria)

CONSENT ORDER

Whereas the Comptroller of the Currency of the United States of America (“Comptroller”), through his National Bank Examiner, has supervisory authority over United Bank for Africa, New York, New York (“Branch”), a Federal branch of United Bank for Africa, PLC, Lagos, Nigeria (“Bank”); and

Whereas the Bank, by and through its Board of Directors (“Board”), and the Branch, by and through its General Manager (“General Manager”), have executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated 1-18-2007, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Branch and the Bank have consented to the issuance of this Consent Order (“Order”) by the Comptroller.

Pursuant to the authority vested in him by the International Banking Act of 1978, as amended, 12 U.S.C. §§ 3101 *et seq.*, and the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that:

ARTICLE I

COMPLIANCE REPORT

(1) Within thirty (30) days, and every thirty (30) days thereafter, Branch Management shall submit a written Compliance Report to the Bank's Board and the Director for Special Supervision ("Director") setting forth in detail:

- (a) actions taken to comply with each Article of this Order; and
- (b) the results of those actions.

(2) On a quarterly basis, the Bank's Board shall forward to the Director an acknowledgment that it has received and reviewed the Compliance Reports, and include any additional comments it wishes to make regarding the Compliance Reports or actions taken to comply with this Order.

ARTICLE II

BANK SECRECY ACT - PROGRAM

(1) To provide for compliance with the Bank Secrecy Act, as amended (31 U.S.C. §§ 5311 et seq.), the regulations promulgated thereunder at 31 C.F.R. Part 103, as amended, and 12 C.F.R. Part 21, Subparts B and C, and the rules and regulations of the Office of Foreign Assets Control ("OFAC") (collectively referred to as the "Bank Secrecy Act" or "BSA"), the General Manager and the Board shall perform, within fortyfive (45) days of the effective date of this order, and updated no less than annually thereafter, a written comprehensive BSA risk assessment consistent with the guidance contained in the July 26, 2006 FFIEC BSA/AML Examination Manual, to include at a minimum:

- (a) identification of the risks associated with the Branch's products, services, customers, and geographies served; and

- (b) an evaluation of its existing internal controls to determine the need for enhanced controls to mitigate the identified risks.

(2) An evaluation of the reasonableness of the BSA risk assessment shall be included in the scope of the independent audit of the BSA program.

(3) Within ninety (90) days of the effective date of this order, the General Manager and the Board shall develop a comprehensive written BSA Program, with policies and procedures to ensure compliance with the requirements of the Bank Secrecy Act, and the Customer Identification Program (“CIP”) requirements of the USA Patriot Act. These policies and procedures should include at a minimum the following:

- (a) a system of internal controls, independent testing and auditing to ensure ongoing compliance with the BSA, OFAC, and CIP Requirements;
- (b) a requirement that the branch identify the beneficiary owners of all depository and loan accounts held at the branch;
- (c) an integrated process for linking accounts across all business lines to evaluate patterns of activity;
- (d) operating procedures to ensure that Currency Transaction Reports (“CTRs”) are filed as required;
- (e) definitions and guidance for identification of high risk accounts, including embassy accounts and accounts of Politically Exposed Persons (“PEPs”);
- (f) operating procedures, including due diligence requirements for the opening of new accounts, with enhanced due diligence and ongoing monitoring of high risk accounts (particular attention should be given to: money remitters, money service businesses, embassy accounts, accounts

for PEPs, import/export companies, jewelry and precious metal dealers, foreign exchange businesses, off shore corporations, and any accounts with higher risk activities including wire transfer, demand draft, or pouch activity);

- (g) enhancing monitoring procedures for credits booked or managed by the New York branch to ensure that branch management understands the ownership structure of its obligors and can detect, monitor and report affiliated relationships;
- (h) strengthening due diligence policies and procedures for the foreign correspondent accounts, including conducting due diligence in order to assess the legitimacy of transactions through the foreign correspondent account and guidance on the circumstances necessitating enhanced due diligence;
- (i) procedures to ensure that records are maintained on funds transfers, as required by the Bank Secrecy Act;
- (j) comprehensive procedures to identify and report to appropriate management personnel activity in accounts within the Branch with respect to the following:
 - (i) frequent or large volume cash deposits or wire transfers or book entry transfers to or from offshore or domestic entities or individuals;
 - (ii) wire transfers or book entry transfers that are deposited into several accounts;
 - (iii) wire transfers or book entry transfers that contain patterns, usually associated with money laundering or other illicit activities, such as:

- repeat, even and round amount transactions, transactions under the \$10 thousand reportable threshold, large incoming transfers followed by immediate outgoing wires, in smaller denominations, and multiple transfers in small uneven amounts, payable to the same beneficiary, that when combined equal a large even amount;
- (iv) receipt and disbursement of wire transfers or book entry transfers without an apparent business reason;
 - (v) receipt and disbursement of wire transfers or book entry transfers when they are inconsistent with the customer's business;
 - (vi) receipt and disbursement of currency or monetary instruments when they are inconsistent with the customer's business; and
 - (vii) bank accounts opened in the name of money service businesses, a casa de cambio (money exchange house) or any "financial institution" as defined in 31 C.F.R. § 103.11(n) (bank, broker/dealer, currency dealer or exchanger, issuer or seller or redeemer of traveler's checks or money orders, transmitter of funds, telegraph company, casino, etc.).
- (k) a comprehensive training program for all appropriate operational and supervisory personnel to ensure their awareness of and compliance with the BSA Requirements and OFAC Programs, including the currency reporting and monetary instrument and funds transfer recordkeeping requirements, and the reporting requirements associated with Suspicious Activity Reports ("SARs");

- (l) delegation of responsibility to the BSA officer or other officer for filing CTRs and Reports of International Transportation of Currency or Monetary Instruments (“CMIRs”);
- (m) guidelines to ensure that certifications required for foreign correspondent accounts are secured, maintained, and updated, including guidelines for the closure of such correspondent accounts where certifications are outdated or cannot be secured;
- (n) comprehensive guidelines and procedures to identify and report both the shipment and receipt of currency or monetary instruments and to set forth the exceptions to such reporting;
- (o) comprehensive guidelines and procedures for the use of internal concentration accounts;
- (p) comprehensive guidelines and procedures that will address reporting and filing SARs for cash letters business and other pouch activity;
- (q) a standard review process for the Branch’s remittance program and an adequate system to monitor the remittance activities, including a requirement to obtain sufficient information to verify the legitimacy of the transaction;
- (r) mandatory BSA training related to the identification of suspicious activity in intermediary wires, demand drafts and foreign correspondent banking;
- (s) effective BSA risk management for foreign correspondent banking and demand drafts. At a minimum, management should incorporate the foreign correspondent banking and demand draft procedures from the interagency BSA handbook. With regard to foreign correspondent

accounts, the procedures should identify the nature and the levels of activities expected from the foreign correspondent accounts and determine if such services may be offered to non-accountholders. With regard to demand drafts, the procedures should be updated to include, at a minimum, the identification of the institutions authorized to issue demand drafts, a dollar limit, whether the respective institutions issue demand drafts to non-accountholders, and if so, the level of due diligence conducted by the issuing institution.

(4) Upon completion and approval by the General Manager and the Board, a copy of this program shall be submitted to the Director for review. In the event the Director recommends changes to the program, the General Manager, with approval of the Board, shall immediately incorporate those changes into the program.

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

ARTICLE III

SUSPICIOUS ACTIVITY REPORTS

(1) Within thirty (30) days of the date of this Order, the General Manager and the Board shall develop, implement, and thereafter ensure the Branch's adherence to 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 establish procedures for identifying and reporting known or suspected violations of Federal law, violations of the Bank Secrecy Act, or suspicious transactions

related to money laundering activity, including suspicious activity relating to the opening of new accounts, the monitoring of current accounts, and the transfer of funds through the Branch.

(2) Upon completion, a copy of this program shall be submitted to the Director for review. In the event the Director recommends changes to the program, the General Manager and the Board shall immediately incorporate those changes into the program.

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

ARTICLE IV

AUDIT FUNCTION

(1) Within sixty (60) days of the date of this Order, the General Manager and the Board shall execute an engagement letter to outsource the Branch's internal audit of all operational and compliance functions of the Branch to an independent third party.

(2) Prior to the appointment, employment, or engagement of any auditor or audit firm to perform the audits required by this Article, the Branch shall submit a copy of the Branch's proposed "Engagement Letter" with the auditor or audit firm, and any amendments thereto, to the Director for review and a prior determination of no supervisory objection.

(3) The party charged with BSA internal audit must be knowledgeable about the BSA Requirements and OFAC programs.

(4) The General Manager and the Board shall ensure that the independent third party's audit procedures cover all operational and compliance functions of the Branch to:

- (a) detect irregularities and weak practices in all aspects of the Branch's operations;

- (b) determine the Branch's level of compliance with all applicable laws, rules and regulations, including the BSA Requirements and OFAC Programs;
- (c) assess and report the effectiveness of policies, procedures, controls, and management oversight relating to accounting, financial, and legal reporting, including the BSA;
- (d) evaluate the Bank's adherence to established policies and procedures as well as policies and procedures developed in accordance with this Order;
- (e) develop a program to test the adequacy of internal controls designed to ensure compliance with the provisions of the BSA;
- (f) ensure prompt management response and follow-up to all audit exceptions or other recommendations of the Auditor; and
- (g) ensure the Branch has a risk based approach to operational control and compliance functions, including a BSA compliance audit that includes a level of transactional testing that is commensurate with the risk at the Branch and verification of data for higher risk accounts, including wires, pouch activities, or geographic areas of specific concern.

(5) The General Manager and the Board shall ensure that the national bank examiners shall have complete access to all reports and work papers of the audit staff and any other parties related to the internal audit required by this Article.

(6) All audit reports shall be in writing. The General Manager and the Board shall ensure that immediate actions are undertaken to remedy deficiencies cited in audit reports, and that auditors maintain a written record describing those actions.

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

ARTICLE V

STRATEGIC PLAN

(1) Within ninety (90) days of the effective date of this Order, the General Manager and the Board shall develop an acceptable written strategic plan for the Branch covering at least a three-year period. Until the strategic plan has been completed and is deemed acceptable by the Director under Paragraph (3) of this Article, the Branch will cease and desist from offering any new products or services. The strategic plan shall establish objectives for the Branch's overall risk profile, product lines, and the market segment the Branch intends to promote or develop, together with strategies to achieve those objectives and, at a minimum, include:

- (a) a mission statement that forms the framework for the establishment of strategic goals and objectives;
- (b) an assessment of the Branch's present and future operating environment;
- (c) the development of strategic goals and objectives to be accomplished over the short and long term;
- (d) an identification of the Branch's present and future product lines, if any, that will be utilized to accomplish the strategic goals and objectives established in (1)(c) of this Article;
- (e) an evaluation of the Branch's internal operations, staffing requirements, management information systems, and policies and procedures for their

adequacy and contribution to the accomplishment of the goals and objectives developed under (1)(c) of this Article;

- (f) control systems to mitigate risks associated with all products and services offered by the Branch;
- (g) a management employment and succession program to promote the retention and continuity of capable management;
- (h) an action plan to accomplish identified strategic goals and objectives, including individual responsibilities, accountability and specific time frames;
- (i) a financial forecast to include projections for major balance sheet and income statement accounts and desired financial ratios over the period covered by the strategic plan;
- (j) specific responsibilities and accountability for the strategic planning process; and
- (k) systems to monitor the Branch's progress in meeting the plan's goals and objectives.

(2) Immediately upon development, and prior to adoption by the General Manager and the Board, a copy of the strategic plan shall be forwarded to the Director for review and prior determination of no supervisory objection.

(3) Immediately upon receipt of a written determination of no supervisory objection, the General Manager and the Board shall adopt, implement and thereafter ensure Branch compliance with the terms of the strategic plan developed pursuant to this Article.

(4) The Branch may not deviate from the approved strategic plan without a prior written determination of no supervisory objection from the Director. The General Manager and the Board must give the Director advance, written notice of its intent to deviate from the strategic plan, along with an assessment of the impact of such change on the Branch's condition, including a profitability analysis and an evaluation of the adequacy of the Branch'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 change in the strategic plan.

(5) For the purposes of this Article, changes that may constitute a deviation from the strategic plan include, but are not limited to, new products or services, or material changes in existing products or services; changes in the Branch's underwriting practices and standards, credit administration, investments, purchases of other extensions of credit, account management strategies and test programs, collection strategies, primary vendors, operations, fee structure, pricing, or fee application methods, accounting processes and practices, or funding strategy, any of which, alone or in aggregate, may have a material impact on the Branch's operations or financial performance; or any other changes in personnel, operations, or external factors that may have a material impact on the Branch's operations or financial performance.

(6) The General Manager and the Board shall ensure that the Branch has processes, personnel, and control systems to ensure implementation of and adherence to the plan developed pursuant to this Article.

ARTICLE VI

STAFFING PLAN

(1) Within thirty (30) days of the adoption of the strategic plan required by Article V of this Order, the General Manager and the Board shall develop a staffing plan that is consistent with

the branch's strategic plan and the overall risk profile for the Branch. At a minimum, the plan will consist of the following:

- (a) identification of the skills and expertise needed to correct the deficiencies and ensure ongoing enforcement of the Branch's BSA compliance program and to develop, market, and administer the products identified in the strategic plan;
- (b) identification of the skills and expertise of the Branch's current staff; and
- (c) a comparison of the current staff's skills and expertise identified in (1)(b) of this Article to the skills and expertise identified in (1)(a) of this Article as necessary to ensure ongoing compliance with the BSA and to develop, market, and administer the products that will be utilized in accomplishing the Bank's goals and objectives.

(2) Within sixty (60) days of the adoption of the strategic plan required by Article V of this Order, the General Manager and the Board shall implement the plan and make any changes necessary to provide the Branch with a staff that possesses the skills and expertise identified in (1)(a) of this Article. Thereafter, the General Manager and the Board shall ensure that the Branch adheres to the staffing plan.

(3) Unless otherwise advised in writing by the Director, prior to the appointment of any individual to an officer position, the General Manager and the Board shall submit to the Director the following information:

- (a) the information required by 12 C.F.R. § 5.51(d) and the "Changes in Directors and Senior Executive Officers" booklet of the Comptroller's Corporate Manual;

(b) a written statement of the General Manager and the Board 's reasons for selecting the proposed officer; and

(c) a written description of the proposed officer's duties and responsibilities.

(4) The initial employment of any proposed officer shall be subject to the prior review and written non-objection of the Director. However, the failure to object shall not constitute an approval or endorsement of the proposed officer.

(5) Upon completion of the actions required by Paragraphs (1) and (2), the General Manager and the Board will provide a copy of its staffing plan to the Director for review. In the event the Director recommends changes to the program, the General Manager and the Board shall immediately incorporate those changes into the program.

ARTICLE VII

NON-CUSTOMER TRANSACTIONS

(1) Within sixty (60) days of the effective date of this Order, the Branch shall cease and desist from processing transactions, and issuing or honoring demand drafts, for non-customers of the Branch including customers of the Bank and other foreign offices, or other correspondent banks, until such time as the Branch has established, and the Director has approved, appropriate policies, procedures, and controls that require:

(a) appropriate due diligence to:

(i) identify and document the identity and business type of the person or entity on whose behalf the transaction is being performed;

(ii) determine the level and adequacy of due diligence conducted by the corresponding institution regarding the customer; and

(iii) establish the anticipated nature, level, and legitimacy of transactions going forward.

(b) provide sufficient ongoing monitoring and reporting of transactions, as required under the Bank Secrecy Act/Anti-Money Laundering program in accordance with 12 C.F.R. § 21.21, that will result in the effective monitoring, detection, and reporting of suspicious activities in subsequent transactions.

(2) For the purpose of this article non-customer shall mean any person or entity that does not have a properly documented depository or loan account opened at the Branch.

(3) Upon completion, a copy of this program shall be submitted to the Director for review. In the event the Director recommends changes to the program, the General Manager and the Board shall immediately incorporate those changes into the program.

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

ARTICLE VIII

EXPENSE REIMBURSEMENTS AND CORPORATE CHARGE CARDS

(1) Within thirty (30) days of the effective date of this Order, the Branch shall develop and submit to the Director for review a policy regarding expense reimbursements and the use of corporate charge cards issued under the Branch's name and provided to employees of the Branch and certain Head Office personnel of the Bank. At a minimum, the policy shall include:

(a) a description of the types of expenses and disbursements that may be paid by the Branch;

- (b) a process by which the Branch will be reimbursed within 15 days by the Bank for any expenses incurred on behalf of the Bank or its affiliates;
- (c) a list of the persons to whom the corporate charge cards may be issued;
- (d) a description of the types of permissible charges that may be made on the corporate charge cards;
- (e) the process by which corporate card charges are reviewed on a monthly basis; and
- (f) guidelines for the use of the corporate charge card, including penalties for noncompliance with the policy.

(2) In the event the Director recommends changes to the policy, the Branch shall promptly incorporate those changes into the policy. After the review of the policy by the Director, and the incorporation of any such changes, the Board shall adopt the respective policy at its next meeting. The General Manager and the Board shall ensure that the policies are implemented and adhered to.

ARTICLE IX

TRANSACTIONS WITH AFFILIATES AND INSIDERS

- (1) From the effective date of this Order, the Branch is prohibited from entering into any new Business Transaction for itself or on behalf of the Bank or any affiliate of the Bank, with any affiliates or Insiders of the Branch or Bank, unless the Business Transaction:
- (a) complies with all applicable United States laws, rules, regulations, and the Comptroller's issuances; and
 - (b) is on terms and under circumstances that are substantially the same, or at least as favorable to the Branch, as those prevailing at the time for

comparable transactions with or involving other companies or individuals who are not affiliates or Insiders; or in the absence of comparable transactions, is on reasonable commercial terms and under circumstances that in good faith would be offered to companies or individuals who are not affiliates or Insiders.

(2) For purposes of this Article: “Business Transaction” means any single transaction including any renewal of or change to an existing transaction, or any commitment to enter into a transaction and includes, without limitation, all transactions and relationships with a depositor, borrower, employee, contractor or vendor. “Insider” means the Bank’s executive officers, directors, principal shareholders, or related interests thereof, and their spouses, children, parents, or siblings, and any person who acts on any such party’s behalf. The terms “executive officer,” “director,” “principal shareholder,” and “related interest” shall have the meanings set forth in 12 C.F.R. § 215.2 as if the Branch were a member bank, and the General Manager of the Branch shall be considered an executive officer. The term “affiliate” of the Bank shall have the meaning set forth in 12 C.F.R. § 223.2(a) as if the Bank were a member bank, provided that any subsidiary of the Bank shall be considered an affiliate of the Bank, and the exceptions set forth in 12 C.F.R. § 223.2(b) and (c) shall not apply.

(3) The Branch shall maintain adequate, centralized records in the Branch of all Business Transactions and contemplated business transactions subject to this Article in a form and manner that will enable easy, independent review. These records shall identify all affiliates and Insiders and specify the names of the parties to the transaction, the relationship of the parties to the Branch and Bank, and provide a brief description of the transaction and its terms, including

documentation supporting compliance with the requirements of Paragraph (1), items (a) and (b) above.

(4) The Branch and the Board shall require each executive officer, director, and principal shareholder to provide at least annually and in writing, a listing of related interests. The list of these persons' related interests shall be maintained by the General Manager and the Board and any changes shall be promptly reported to the General Manager and reflected in the formal centralized records in the New York Branch.

ARTICLE X

SEGREGATION OF BOOKS AND RECORDS

(1) Within sixty (60) days of the effective date of this order, the Branch and the Board shall ensure that its books, records and management information systems (MIS) are completely segregated from the Bank's Cayman branch.

(2) The Branch and the Board shall ensure that, once properly segregated, the Branch's books, records and MIS are maintained in a complete and accurate condition and remain properly segregated.

ARTICLE XI

LIQUIDITY AND CAPITAL EQUIVALENCY DEPOSIT

(1) Effective as of the date of this Order, at all times, amounts due to the Branch from the Bank and other foreign offices shall exceed the amounts due from the Branch to the Bank and other foreign offices.

(2) The Branch will maintain its Capital Equivalency Deposit ("CED"), at a depository domiciled in the United States, and at a minimum of, the greater of twenty-five-

million dollars (\$25,000,000.00) or 20% of all liabilities required to be included in computing the CED under 12 C.F.R. § 28.15.

(3) All assets in the CED must be free from any security interest, lien, charge, right of setoff, credit or preference in connection with any claim by the depository bank or any other party (other than the Comptroller).

ARTICLE XII

DORMANT ACCOUNTS

(1) Within sixty (60) days of the effective date of this Order, the General Manager and the Board shall adopt, implement, and thereafter ensure the Branch's adherence to a written policy on dormant and inactive accounts. The policy must outline specific criteria under which accounts are reviewed and closed.

(2) Upon completion and approval by the General Manager and the Board, a copy of this policy shall be submitted to the Director for review. In the event the Director recommends changes to the policy, the General Manager, with approval of the Board, shall immediately incorporate those changes into the policy.

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

ARTICLE XIII

COURIER SERVICES

(1) Effective immediately, the Branch shall cease transportation of negotiable instruments and cash off branch premises except through the services of a bonded courier.

(2) The Branch shall not transport cash or negotiable instruments except as provided for in the branch's BSA policies and procedures.

(3) The Branch shall maintain a log of all cash and negotiable instruments delivered by bonded courier. The log must record the parties on the sending and receiving ends of the transaction and must record the type and value of cash and negotiable instruments transported.

ARTICLE XIV

VIOLATIONS OF LAW

(1) The General Manager and the Board shall immediately take all necessary steps to ensure that the Branch corrects each violation of law, rule or regulation cited in the most recent Report of Examination, any subsequent Report of Examination, or brought to their attention in writing by management, regulators, auditors, loan review, or other compliance efforts. Within ninety (90) days of the effective date of the Order or within ninety (90) days after a violation is cited or brought to the General Manager or the Board's attention, the Branch shall provide to the Director a list of any violations that have not been corrected. This list shall include an explanation of the actions taken to correct the violation, the reasons why the violation has not yet been corrected, and a plan to correct the violation by a specified time.

(2) To the extent not already in place or otherwise required in this Order, within sixty (60) days from the effective date of this Order or within sixty (60) days after a violation is cited or brought to the General Manager or the Board's attention, the General Manager and the Board shall adopt, implement, and thereafter ensure adherence to specific procedures to prevent future violations as cited in the most recent Report of Examination and shall adopt, implement, and ensure Branch adherence to general procedures addressing compliance management which

incorporate internal control systems and education of employees regarding laws, rules and regulations applicable to their areas of responsibility.

(3) Upon adoption, the General Manager and the Board shall forward a copy of these policies and procedures to the Director.

(4) The General Manager and the Board shall ensure that the Branch develops and thereafter maintains policies, processes, personnel, and control systems to ensure implementation of and adherence to the procedures developed pursuant to this Article.

ARTICLE XV

ADMINISTRATIVE APPEALS AND EXTENSIONS OF TIME

(1) If the General Manager or the Board determines that an exception to any provision of this Order is in the best interests of the Branch, or requires an extension of any timeframe within this Order, the Branch shall submit a written request to the Director asking for relief no later than seven (7) days prior to deadline for that provision contained in this Order.

(2) Any written requests submitted pursuant to this Article shall include a statement setting forth in detail the special circumstances that prevent the Branch from complying with any provision, that require the Director to exempt the Branch from any provision, or that require an extension of any timeframe within this Order. All such requests shall be accompanied by relevant supporting documentation.

(3) The Director's decision regarding the request is final and not subject to further review.

ARTICLE XVI

CLOSING

(1) Although the Bank, through its Board, and the Branch, through the General Manager, are required to submit certain proposed actions and programs for the review or approval

of the Director, the Board and the General Manager have the ultimate responsibility for proper and sound management of the Bank and the Branch as well as compliance with all of the provisions contained in this Order.

(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 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(b) and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States.

(5) 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 18th day of January, 2007.

signed

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

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

In the Matter of:)
United Bank for Africa)
New York, New York)
)
a Federal branch of)
)
United Bank for Africa)
Lagos, Nigeria)

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

Whereas the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate cease and desist proceedings against United Bank for Africa New York, New York (“Branch”), a Federal Branch of United Bank for Africa Lagos, Nigeria (“Bank”), pursuant to 12 U.S.C. § 1818(b) and 12 U.S.C. §§ 3101 *et seq.* for unsafe and unsound banking practices and violations of law identified during the examination of the Branch that commenced on November 8, 2005; and

Whereas the Bank and the Branch, in the interest of compliance and cooperation, consent to the issuance of a Consent Order, dated 1/18/07 (“Order”);

In consideration of the above premises, the Comptroller, through his authorized representative, and the Board of Directors of the Bank, by and through its designated representative, and the Branch, by and through its General Manager, 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(c)(3), 1813(q), 1818(b), and 3108(b).

ARTICLE II

AGREEMENT

(1) The Bank and the Branch, without admitting or denying any wrongdoing, hereby consent and agree to the issuance of the Order by the Comptroller. The Bank and the Branch further agree 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 consent and agree 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.*

(2) 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 and the Branch under his supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank and the Branch expressly acknowledge that neither the Bank, the Branch, nor the Comptroller has any intention to enter into a contract.

(3) The Bank and the Branch also expressly acknowledge 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 his supervisory responsibilities.

ARTICLE III

WAIVERS

- (1) The Bank and Branch, by signing this Stipulation and Consent, hereby waive:
 - (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 seek any type of administrative or judicial review of the Order; and
 - (d) any and all rights to challenge or contest the validity of the Order.

ARTICLE IV

OTHER ACTION

(1) The Bank and the Branch agree 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 and the Branch 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

1-18-2007
Date

IN TESTIMONY WHEREOF, the undersigned, the designated representative of the Board of Directors of the Bank and the General Manager of the Branch, have hereunto set their hands, on behalf of the Bank and the Branch, respectively:

signed

Victor O. Osadolor
Executive Director, Risk Management & Finance
United Bank for Africa, PLC
Lagos, Nigeria

Date

signed

Robin P. Sewell
General Manager
New York Federal Branch
United Bank for Africa, PLC

1-16-2007

Date