

#2008-007

Replaces and Terminates #2007-003

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

<hr/>)	AA-EC-08-07
In the Matter of:)	
United Bank for Africa)	
New York, New York)	
)	
a Federal branch of)	
)	
United Bank for Africa, PLC)	
Lagos, Nigeria)	
<hr/>)	

CONSENT ORDER TO CEASE AND DESIST

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

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 2-29-08, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated herein by reference, the Branch and the Bank have consented to the issuance of this Consent Order to Cease and Desist (“Order”) by the Comptroller.

This Order supersedes and thereby terminates the Consent Order issued to the Bank and the Branch by the Comptroller on January 18, 2007 (“2007 C&D Order”), as of the effective date of this Order.

PART I

COMPTROLLER'S FINDINGS

The Comptroller finds the following:

(1) Prior to January 2007, the Bank and Branch violated 12 C.F.R. § 21.11 by failing to identify suspicious activity that occurred in Branch customer accounts and by failing to file suspicious activity reports regarding the Branch customers.

(2) The Bank and Branch also violated 12 C.F.R. § 21.21 by failing to establish and maintain a compliance program reasonably designed to assure and monitor compliance with the requirements of the Bank Secrecy Act ("BSA") as amended, 31 U.S.C. 5311-5330, the regulations promulgated thereunder at 31 C.F.R. Part 103, as amended, and 12 C.F.R. Part 21, Subparts B and C (collectively referred to as the Bank Secrecy Act).

(3) In addition, during this same time period, the Bank and the Branch engaged in practices as described in 12 U.S.C. § 1818(i)(2)(B)(II), by failing to establish and maintain internal controls and audit functions sufficient to ensure compliance with the BSA.

(4) As a result of the activities described in paragraphs (1)-(3) of this Part, the Comptroller issued the 2007 C&D Order in January 2007 that, among other things, required the Branch to develop a comprehensive BSA Program, with policies and procedures to ensure compliance with the requirements of the BSA and the USA PATRIOT Act. Additionally, the 2007 C&D Order required the Branch to establish a system of internal controls and processes to ensure compliance with the requirements to file Suspicious Activity Reports as set forth in 12 C.F.R. § 21.11.

(5) During a target examination for compliance with the 2007 C&D Order completed in November 2007, Office of the Comptroller of the Currency ("OCC") examiners determined that

the Branch was not in compliance with the majority of the sixteen articles contained in the 2007 C&D Order. For example, the Branch is not in compliance with requirements pertaining to adoption and implementation of an effective BSA Program, suspicious activity reporting, BSA audit, staffing and restrictions on non-customer transactions.

(6) The target examination revealed that significant BSA program deficiencies, unsafe or unsound practices, and violations of law remain pervasive and systemic throughout the Branch, including but not limited to the Branch's continued failure to identify and report suspicious activities. On December 7, 2007, the OCC issued a Supervisory Letter to the Branch detailing the findings of the target examination ("2007 Supervisory Letter").

(7) The Branch's failure to correct serious BSA program deficiencies, as required in the 2007 C&D Order, constitutes violations of that order.

PART II

CEASE AND DESIST

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.

(3) All correspondence relating to this Order, and any information or documentation required hereunder to be submitted to the Director, shall be sent by overnight mail or hand delivery to:

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

ARTICLE II

TRANSACTION PROHIBITION

(1) The Branch shall immediately cease and desist from processing all wire transfer, dollar draft and pouch transactions for non-customers, and shall within forty-five (45) days cease and desist from processing all wire transfer, dollar draft and pouch transactions for customers.

(2) For purposes of this Order,

(a) the term "wire transfer" includes the origination of, receipt of, or other participation in the transfer of funds through automated clearinghouse transactions, Fedwire, or any other electronic means;

(b) the term "dollar draft" includes bank drafts or checks denominated in U. S. dollars, made available at foreign financial institutions and drawn on a U.S. correspondent account by a foreign financial institution; and

(c) the term "pouch transactions" includes the transportation of currency, monetary instruments and other negotiable instruments from outside the

United States to the Branch, or processing of such instruments, including but not limited to money orders, traveler's checks, and bank checks.

(3) Notwithstanding the restrictions identified in paragraphs (1) and (2) above, the Branch may utilize electronic messaging systems or other similar means in order to provide instructions to correspondent banks on the disbursement and receipt of funds through the Branch's account at the correspondent bank.

ARTICLE III

LOOKBACK REPORT

(1) Within thirty (30) days of the date of this Order, the Branch, with approval from the Bank's Board, shall retain the services of a qualified, independent consultant ("Consultant").

(2) Prior to the appointment or employment of any Consultant or entering into any agreement with a Consultant, the Branch shall submit a copy of the Branch's proposed "Engagement Letter" with the Consultant to the Director for review and a prior written determination of no supervisory objection.

(3) Within one hundred and twenty (120) days of the date of retention, the Consultant specified in paragraph (1) of this Article shall complete and submit to the General Manager and the Board a report that reviews all wire transfer activity and dollar draft activity at the Branch from January 1, 2007 ("Lookback Report"), through the effective date of this Order, in order to ascertain any unusual or suspicious transactions that may have occurred at the Branch during this period. At the OCC's sole discretion, the period of review may be extended to cover a time period prior to or subsequent to this time period, once the results of the Consultant's review are reviewed by the OCC.

(4) Upon submission to the General Manager and Board, the Consultant shall also submit a copy of the Lookback Report to the Director for review. The General Manager and the

Board shall assure ongoing compliance with the Consultant's findings, observations and recommendations, including any changes recommended by the Director.

(5) Within thirty (30) days of receiving the Lookback Report, the Branch shall file any Currency Transaction Reports ("CTRs") or Suspicious Activity Reports ("SARs") that are required to be filed for any previously unreported activity identified during this review.

ARTICLE IV

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 update, within thirty (30) days of the effective date of this order, and no less than annually thereafter, a written comprehensive BSA risk assessment consistent with the guidance contained in the August 24, 2007 FFIEC Bank Secrecy Act/Anti-Money Laundering 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 sixty (60) days of the effective date of this order, the General Manager and the Board shall develop, consistent with the transaction prohibitions in Article II and the Strategic

Plan developed pursuant to Article VII, a new comprehensive written BSA Program, with policies, procedures and internal controls, to ensure compliance with the requirements of the Bank Secrecy Act and the Customer Identification Program (“CIP”) requirements of the USA Patriot Act.

(4) Upon completion, a copy of the BSA risk assessment and BSA 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.

(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 V

SUSPICIOUS ACTIVITY REPORTS

(1) Within thirty (30) days of the date of this Order, the General Manager and the Board shall revise and implement the Branch’s 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 policies and 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, the transfer of funds through the Branch, and adequate procedures to effectively implement and adhere to policies established by the program.

(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 VI

AUDIT FUNCTION

(1) Within forty-five (45) days, the General Manager and the Board shall outsource the Branch's internal audit of all operational and compliance functions of the Branch to a qualified 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 proposed "Engagement Letter" with the auditor or audit firm to the Director for review and a prior written determination of no supervisory objection. Such Engagement Letter shall encompass the requirements of paragraph (4) of this Article.

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

(4) The General Manager and the Board shall ensure that the 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 third party 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 and verification that is commensurate with the activities and risk at the Branch.

(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 and the scope of the audit shall comply with the Engagement Letter. The General Manager and the Board shall ensure that immediate actions are undertaken to remedy deficiencies cited in audit reports, and that third party 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 VII

STRATEGIC PLAN

(1) Within forty-five (45) days of the effective date of this Order, the General Manager and the Board shall revise, consistent with the requirements and prohibitions of this Order, the Branch's written strategic plan. The new strategic plan shall cover a three year period and 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 written 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 advanced, 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, 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 VIII

STAFFING PLAN

(1) Within thirty (30) days of the adoption of the strategic plan required by Article VII of this Order, the General Manager and the Board shall make any revisions necessary to its written staffing plan to ensure that is consistent with the Branch's strategic plan and overall risk profile with respect to any products or services offered from the effective date of this Order. At a minimum, the plan must consist of the following:

- (a) identification of the skills and expertise needed to 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;
- (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;
- (d) a determination of the staff changes necessary to conform to the skills and expertise identified under (1)(a) of this Article; and
- (e) include a staff compensation review and salary structure designed to ensure staff continuity and attraction of additional qualified personnel.

(2) Within thirty (30) days of the adoption of the revised staffing plan, the General Manager and the Board shall fill the positions or implement the 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 Director's review and prior written determination of no supervisory objection. 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) of this Article, 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 plan, the General Manager and the Board shall immediately incorporate those changes into the plan.

(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 IX

EXPENSE REIMBURSEMENTS AND CORPORATE CHARGE CARDS

(1) Within thirty (30) days of the effective date of this Order, the General Manager and the Board shall make any revisions necessary to its written 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 Head Office personnel of the Bank. At a minimum, the policy shall include:

- (a) a detailed 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 detailed 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) All expenses submitted for reimbursement shall include a receipt and a detailed description of appropriateness.

(3) Upon completion of the actions required by paragraphs (1) and (2) of this Article, the General Manager and the Board will provide a copy of its policy to the Director for review. In the event the Director recommends changes to the policy, the General Manager and the Board shall promptly incorporate those changes into the policy.

(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 policy developed pursuant to this Article.

ARTICLE X

TRANSACTIONS WITH AFFILIATES AND INSIDERS

(1) From the effective date of this Order, the Branch is prohibited from entering into any new Business Transactions 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. 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. 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 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 XI

SEGREGATION OF BOOKS AND RECORDS

(1) The Branch and the Board shall ensure that the books, records and management information systems of the Branch are maintained in a complete and accurate condition, and remain completely segregated from the Bank's Cayman branch.

ARTICLE XII

LIQUIDITY AND CAPITAL EQUIVALENCY DEPOSIT

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

(2) The Branch will maintain its Capital Equivalency Deposit ("CED"), 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 XIII

DORMANT ACCOUNTS

(1) Effective immediately, the Branch shall fully implement and adhere to the Block and Dormant Account Policy submitted to the OCC on January 18, 2008, and shall ensure that all

deficiencies regarding dormant account activity and monitoring cited in the 2007 Supervisory Letter are corrected.

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 unsafe or unsound practices, violation of law, rule or regulation, and Matters Requiring Attention (“MRAs”) cited in the 2007 Supervisory Letter, the 2007 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.

(2) Within ninety (90) days after the effective date of this Order, and within thirty (30) days after any additional violation is cited or brought to the Branch’s attention, the Branch shall provide to the Director a list of any practices, violations or MRAs that have not been corrected. This list shall include an explanation of the corrective actions taken, and the reasons why any practice, violation or MRA has not yet been corrected.

(3) To the extent not already in place or otherwise required in this Order, the General Manager and the Board shall immediately adopt, implement, and thereafter ensure adherence to specific procedures to prevent future unsafe or unsound practices, violations or MRAs as cited in the 2007 Supervisory Letter and the 2007 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 safe and sound practices, laws, rules and regulations applicable to their areas of responsibility.

(4) Upon adoption, the General Manager and the Board shall forward a copy of these policies and procedures to the Director for review. In the event the Director recommends changes

to the policies and procedures, the General Manager and the Board shall promptly incorporate those changes into the policies and procedures..

(5) 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

PLAN PURSUANT TO 12 C.F.R. § 28.22

(1) If the OCC, in its sole discretion, determines that either the Bank or the Branch has violated any provision or Article of this Order and determines that such violation is deemed significant, the Bank and the Branch shall, within thirty (30) days following notice from the OCC, prepare and submit to the OCC a plan to carry out the provisions of 12 C.F.R §§ 28.22 and 5.48 that is acceptable to the OCC (“Plan”).

(2) The Plan shall detail in writing the actions and steps necessary to accomplish the objectives of 12 C.F.R §§ 28.22 and 5.48, without loss or cost to the OCC, and the dates by which each step of the process shall be completed, including the projected date by which the Branch will comply with 12 C.F.R. § 28.22(d).

(3) Upon obtaining a written non-objection from the OCC, the Bank and Branch shall immediately implement and shall thereafter ensure adherence to the Plan.

(4) Failure to submit a timely Plan that is acceptable to the OCC, or failure to implement and adhere to the Plan after the Bank and the Branch obtain a written non-objection from the OCC, may be deemed by the OCC to constitute a violation of this Order.

(5) The Bank and the Branch hereby consent and agree that should the OCC find, in its sole discretion, that either the Bank or the Branch has violated any provision or Article of this

Order, and the OCC deems such violation to be significant, neither the Bank nor the Branch will dispute, challenge nor appeal any determination by the OCC pursuant to the Order, 12 U.S.C. § 3102(i) and 12 C.F.R. § 28.24.

ARTICLE XVI

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 ten (10) days prior to the 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 XVII

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 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 29th day of February, 2008.

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 and the January 18, 2007 Consent Order, identified during the target examination of the Branch and in the Supervisory Letter dated December 7, 2007; and

Whereas the Bank and the Branch, in the interest of compliance and cooperation, consent to the issuance of a Consent Order to Cease and Desist, dated 2-29-08 (“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.

(2) The violations described in the Part I of the Order may be utilized by the OCC in future enforcement actions to establish a pattern or practice of unsafe or unsound practices or violations, or the continuation of a pattern or practice of unsafe or unsound practices or violations. This provision shall not preclude or affect any right of the OCC to determine and ensure compliance with the terms and provisions of this Stipulation and Consent or the Order.

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

2-29-08

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:

Suzanne Iroche, Executive Director

Designated Representative and Title
United Bank for Africa, PLC
Lagos, Nigeria

2-28-09

Date

signed

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

2-28-09

Date