
Joint Release

**Financial Crimes Enforcement Network
Office of the Comptroller of the Currency**

For Immediate Release
March 24, 2011

OCC and FinCEN Assess Civil Money Penalties Against Pacific National Bank, Miami, Florida

WASHINGTON—The Office of the Comptroller of the Currency (OCC) today announced the assessment of a \$7 million civil money penalty (CMP) against Pacific National Bank, Miami, Florida (the Bank) for violations of an OCC Consent Order, the Bank Secrecy Act (BSA) and the USA PATRIOT Act. The Financial Crimes Enforcement Network (FinCEN) also today announced the assessment of a concurrent \$7 million CMP against the Bank for violating the BSA and its implementing regulations. The Bank, without admitting or denying the allegations, consented to the payment of the civil money penalties, which will be satisfied by a single payment of \$7 million to the U.S. Department of the Treasury.

The OCC based its assessment of a \$7 million penalty on the Bank's (i) failure to comply with an OCC Consent Order that was issued in December 2005 and that contained specific articles requiring enhancement to the Bank's BSA compliance program; and (ii) continued violations of the BSA and its implementing regulations. While the Bank took some necessary steps to improve its BSA compliance program and bring it into compliance with regulations and the 2005 Order, the steps taken fell short of what was required by the Order. Specifically, the Bank failed to (i) adequately identify, monitor, and report suspicious activities; (ii) adequately monitor its foreign correspondent bank accounts; (iii) conduct sufficient due diligence; and (iv) adequately audit its high risk areas and the transactions conducted in those areas.

"Banks must devote appropriate resources commensurate with their risk profile and must take prompt and necessary steps to comply with the OCC enforcement actions to ensure compliance with the Bank Secrecy Act and the USA PATRIOT Act," said John Walsh, acting Comptroller of the Currency.

FinCEN determined that the Bank failed to implement adequate internal controls and independent testing at a level of consistency necessary to assure compliance with BSA anti-money laundering program and suspicious activity reporting requirements. The Bank lacked reasonably complete due diligence information for numerous customers, necessary to effectively monitor transactions and report suspicious activity in a timely manner. The Bank violated BSA suspicious activity reporting requirements by filing numerous suspicious activity reports on a delayed or incomplete basis.

“Financial institutions choose their customer base and the geographic areas they wish to serve; those choices drive their regulatory compliance obligations,” noted FinCEN Director James H. Freis, Jr. “Regulators must coordinate efforts, as in this case of concurrent actions by FinCEN and the OCC, to address compliance deficiencies and delayed and incomplete reporting pursuant to the BSA.”

Links to CMPs:

[OCC](#)

[FinCEN](#)

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