
Joint Release

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

For Immediate Release
April 21, 2009

**FinCEN and OCC Assess Civil Money Penalties
Against the New York Branch of Doha Bank**

WASHINGTON — The Financial Crimes Enforcement Network (FinCEN) and the Office of the Comptroller of the Currency (OCC) today announced the assessment of concurrent civil money penalties, each \$5 million, against the New York Branch of Doha Bank, Doha, Qatar ("the Branch"), for past violations of the Bank Secrecy Act (BSA). The Branch, without admitting or denying the allegations, consented to payment of the civil money penalties, which will be satisfied by a single payment of \$5 million to the U.S. Department of the Treasury.

In September 2006, due to Bank Secrecy Act (BSA) program deficiencies, the OCC issued a [Cease & Desist Order](#) (C&D Order), by consent, to the Branch. The C&D Order mandated a look-back of wire transfers, demand drafts, and pouch items processed by the Branch. The look-back was completed in January 2008 and covered transactions that took place at the Branch between May 1, 2004, and January 16, 2007.

The OCC based its assessment of a \$5 million civil money penalty, and the issuance of the C&D Order, on the Branch's failure to maintain a compliance program reasonably designed to assure and monitor compliance with the recordkeeping and reporting requirements of the BSA, and other related BSA compliance violations. Specifically, the Branch did not adequately identify, research, report, and monitor suspicious activities occurring through the Branch's funds transfers, pouch activity, demand draft services, and correspondent relationships, and did not adequately audit and independently test such activities. The Branch also failed to conduct sufficient due diligence on its foreign correspondents. The look-back mandated by the C&D Order confirmed the BSA program deficiencies cited in the C&D Order.

"It is critically important that institutions have effective systems in place to identify and report suspicious transactions in a timely manner, especially with regard to higher-risk products and services," Comptroller John C. Dugan said. "Today's action signifies our ongoing commitment to the goals of the BSA, and will help ensure that all institutions remain vigilant in the fight against money laundering and other illicit activity."

In assessing a \$5 million civil money penalty, FinCEN determined that the Branch failed to implement an adequate system of internal controls to ensure compliance with the BSA and manage the risk of money laundering or other suspicious activity, or to conduct independent testing to allow for the timely identification and correction of BSA compliance deficiencies. The absence of effective internal controls and independent testing at the Branch resulted in numerous violations of the requirement to timely report suspicious transactions, and the extended period of time over which the violations occurred impaired the usefulness of the suspicious activity reports to law enforcement investigators.

FinCEN Director James H. Freis, Jr., noted, “Despite the current economic and resource challenges that many banks may face, Bank Secrecy Act (BSA) compliance efforts must not be diminished. Timely, complete, and accurate Suspicious Activity Reports (SARs) are critical tools available to law enforcement as a means to deter and detect criminal activity. Used in conjunction with additional financial intelligence, SARs help law enforcement to ferret out criminal elements and combat fraud that threatens our financial system. As such, failure to follow BSA rules deprives law enforcement of valuable information in the investigation and prosecution of crime. FinCEN continues to collaboratively ensure that all financial institutions follow BSA rules which in turn serve to protect our financial system.”

Copies of the agencies' CMP enforcement actions are attached.

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Attachments:

Office of the Comptroller of the Currency
[Consent Order](#)

Financial Crimes Enforcement Network
[Assessment of Civil Money Penalty](#)

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