

**UNITED STATES OF AMERICA
FINANCIAL CRIMES ENFORCEMENT NETWORK
DEPARTMENT OF THE TREASURY**

IN THE MATTER OF:)
) **Number [2023-02]**
Bancrédito International Bank and)
Trust Corporation)
)
)
)

CONSENT ORDER IMPOSING CIVIL MONEY PENALTY

The Financial Crimes Enforcement Network (FinCEN) has conducted a civil enforcement investigation and determined that grounds exist to impose a Civil Money Penalty against Bancrédito International Bank and Trust Corporation (Bancrédito or the Bank) for violations of the Bank Secrecy Act (BSA) and its implementing regulations.¹ Bancrédito admits to the Statement of Facts and Violations set forth below and consents to the issuance of this Consent Order.

I. JURISDICTION

Overall authority for enforcement and compliance with the BSA lies with the Director of FinCEN, and the Director may impose civil penalties for violations of the BSA and its implementing regulations.²

At all times relevant to this Consent Order, Bancrédito was a “bank” and a “domestic financial institution” as defined by the BSA and its implementing regulations.³ Bancrédito was required to report suspicious transactions⁴ and to implement a due diligence program for

¹ The BSA, as amended, is codified at 31 U.S.C. §§ 5311-5314, 5316-5336, and notes thereto, and 12 U.S.C. §§ 1829b, 1951-1959. Regulations implementing the BSA appear at 31 C.F.R. Chapter X.

² 31 U.S.C. § 5321(a); 31 C.F.R. §§ 1010.810(a), (d); Treasury Order 180-01 (July 1, 2014).

³ 31 U.S.C. §§ 5312(a)(2)(B) and 5312(b)(1); 31 C.F.R. § 1010.100(d)(1).

⁴ 31 U.S.C. § 5318(g); 31 C.F.R. § 1020.320.

correspondent accounts established, maintained, administered, or managed in the United States (U.S.) for foreign financial institutions.⁵ Beginning March 15, 2021, Bancrédito was also required to implement an anti-money laundering (AML) program.⁶

II. STATEMENT OF FACTS

The conduct described below took place from on or about October 1, 2015, through May 16, 2022 (the Relevant Time Period), unless otherwise indicated.

A. Bank Secrecy Act

The BSA, together with its implementing regulations, establishes a framework for financial institutions to guard against money laundering, and to report essential financial intelligence to FinCEN. The BSA accomplishes this by, among other things, requiring banks to implement and maintain an AML program in order to guard against money laundering through financial institutions.⁷ Additionally, the BSA imposes other duties on all banks, including the duty to identify and report suspicious transactions relevant to a possible violation of law or regulation in suspicious activity reports (SARs) filed with FinCEN,⁸ and the duty to establish a due diligence program for correspondent accounts for foreign financial institutions.⁹ FinCEN, law enforcement, and others use intelligence reported by financial institutions to safeguard the U.S. financial system and combat serious threats, including money laundering, terrorist financing, organized crime, corruption, drug trafficking, and massive fraud schemes targeting the U.S. government, businesses,

⁵ 31 U.S.C. § 5318(i); 31 C.F.R. § 1010.610.

⁶ 31 U.S.C. § 5318(h); 31 C.F.R. § 1020.210.

⁷ Id.

⁸ 31 U.S.C. § 5318(g); 31 C.F.R. § 1020.320.

⁹ 31 U.S.C. § 5318(i); 31 C.F.R. § 1010.610.

and individuals.¹⁰

B. FinCEN

FinCEN is a bureau within the U.S. Department of the Treasury and is the federal authority that enforces the BSA by investigating and imposing civil money penalties on financial institutions and individuals for willful violations of the BSA.¹¹ As delegated by the Secretary of the Treasury, FinCEN has “authority for the imposition of civil penalties” and “[o]verall authority for enforcement and compliance” of the BSA.¹²

C. Office of the Commissioner of Financial Institutions of Puerto Rico

The Office of the Commissioner of Financial Institutions of Puerto Rico (OCIF) is responsible for supervising and regulating banks and certain other businesses operating in Puerto Rico. OCIF examines banks operating in Puerto Rico, such as Bancrédito, for compliance with the banking laws of Puerto Rico. Puerto Rico law required International Banking Entities to comply with all applicable requirements of the BSA during the Relevant Time Period.¹³

D. International Banking Entities

International Banking Entities (IBEs) operate in Puerto Rico under the International

¹⁰ FinCEN, [FIN-2014-A007](#), *FinCEN Advisory to U.S. Financial Institutions on Promoting a Culture of Compliance* (Aug. 11, 2014).

¹¹ 31 U.S.C. § 5321(a). In civil enforcement of the BSA under 31 U.S.C. § 5321(a)(1), to establish that a financial institution or individual acted willfully, the government need only show that the financial institution or individual acted with either reckless disregard or willful blindness. The government need not show that the entity or individual had knowledge that the conduct violated the BSA, or that the entity or individual otherwise acted with an improper motive or bad purpose. Bancrédito admits to “willfulness” only as the term is used in civil enforcement of the BSA under 31 U.S.C. § 5321(a)(1).

¹² 31 C.F.R. § 1010.810(a), (d).

¹³ *See* 7 L.P.R.A. § 232j-1 (requiring IBE license holders to “(a) [a]dopt written policies and procedures to ensure . . . compli[ance] with . . . the Bank Secrecy Act; (b) [f]aithfully comply with . . . the Bank Secrecy Act; [and] (c) [f]ile currency transaction or suspicious activity reports required by the Bank Secrecy Act . . .”).

Banking Center Regulatory Act of 1989 (known as Law 52).¹⁴ IBEs provide banking and other financial services and are granted special tax benefits. Law 52 prohibits IBEs from providing financial services to residents of Puerto Rico.¹⁵

During the Relevant Time Period, IBEs that provided banking services were required under the BSA (and Puerto Rico law) to identify and report suspicious transactions relevant to a possible violation of law or regulation, and to implement due diligence programs for correspondent accounts established, maintained, administered, or managed in the United States for foreign financial institutions.¹⁶ Beginning March 15, 2021, IBEs were required under the BSA to implement AML programs.¹⁷

E. Regulatory Expectations Surrounding Venezuela

Throughout the Relevant Time Period, the U.S. government repeatedly issued warnings indicating that Venezuela was a high-risk country for money laundering and other financial crimes. Critically, during the Relevant Time Period, FinCEN issued two advisories to financial institutions highlighting AML risks associated with Venezuela. In September 2017, FinCEN issued its first advisory, “Advisory on Widespread Public Corruption in Venezuela.”¹⁸ This advisory identified

¹⁴ 7 L.P.R.A. § 232, et seq.

¹⁵ The International Banking Center Regulatory Act of 1989 was in effect from 1989 through 2012 when Puerto Rico enacted the International Financial Center Regulatory Act (collectively, Law 52).

¹⁶ 31 U.S.C. § 5318(g); 31 C.F.R. § 1020.320; 31 C.F.R. § 1010.610.

¹⁷ Banks lacking a Federal functional regulator had been exempted from AML program requirements pursuant to 31 U.S.C. § 5318(h)(2)(A) and 31 C.F.R. § 1020.210(a). FinCEN removed the exemption on September 15, 2020. 85 FR 57129 (Sept. 15, 2020). See 31 C.F.R. § 1020.210(b). The rule has a compliance date of March 15, 2021.

¹⁸ FinCEN, Advisory on Widespread Public Corruption in Venezuela (Sept. 20, 2017) *available at* <https://www.fincen.gov/sites/default/files/advisory/2017-09-20/FinCEN%20Advisory%20FIN-2017-A006-508%20Compliant.pdf>. In addition, since 2015, the President has issued seven Executive Orders under the International Emergency Economic Powers Act (IEEPA) imposing sanctions with respect to certain transactions relating to Venezuela. See [Venezuela-Related Sanctions | U.S. Department of the Treasury](https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/venezuela-related-sanctions) *available at* <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/venezuela-related-sanctions>; see also OFAC, Venezuela Currency Exchange Network Scheme (Jan. 8, 2019) *available at* [gornin_network_chart_20190108.pdf \(treasury.gov\)](https://www.treasury.gov/press-releases/2019/01/20190108.pdf) (addressing a Venezuelan currency exchange scheme); OFAC,

several red flags related to business with government agencies and state-owned enterprises in Venezuela. These red flags included the following: transactions between companies in unrelated lines of business; transactions directed to shell corporations; payments involving Venezuelan government contracts originating from non-official accounts located outside of Venezuela (e.g., Panama or the Caribbean); and transactions for the purchase of real estate in the Houston, Texas, and South Florida areas. This advisory also reminded U.S. financial institutions of their AML program, SAR filing, and other obligations under the BSA. FinCEN renewed this advisory in 2019, adding substantial information, including background about U.S. Government statements and actions concerning the Venezuelan government and related corruption, information on schemes related to trade-based money laundering and digital currencies, and updating known red flags.¹⁹

F. Bancrédito International Bank and Trust Corporation

Bancrédito was organized as an IBE under Puerto Rico law in August 2008 and was headquartered in San Juan, Puerto Rico. Bancrédito is one of the oldest and was, at times, one of the largest IBEs in Puerto Rico. Bancrédito drew customers from around Latin America and the Caribbean, particularly customers in the high-risk jurisdiction of Venezuela who regularly engaged in large international U.S. dollar-denominated transfers. Bancrédito offered several banking products and services including foreign correspondent banking, checking accounts, certificates of deposit, debit cards, commercial loans, and trade finance and investment property secured loans, mostly to customers in Venezuela and Florida.

Beginning in 2016, Bancrédito expanded its services to provide U.S. dollar-denominated

PDVSA Sanctions Evasion Network (June 2020) available at [pdvsa_network_chart_20200618.pdf \(treasury.gov\)](#) (highlighting a foreign bribery scheme). The European Union has also publicly imposed a variety of sanctions on Venezuela.

¹⁹ FinCEN, Updated Advisory on Widespread Public Corruption in Venezuela (May 3, 2019), available at <https://www.fincen.gov/sites/default/files/advisory/2019-05-03/Venezuela%20Advisory%20FINAL%20508.pdf>.

correspondent accounts for foreign financial institutions—that is, it permitted foreign financial institutions to hold U.S. dollar-denominated accounts at Bancrédito. The Bank provided such services to foreign financial institutions operating in Central America and the Caribbean, although often the counterparties, the ultimate senders and recipients, were located in Venezuela. As such, during the Relevant Time Period, Bancrédito’s customer base and aspects of its business model put it at an elevated risk for AML concerns, as described herein.

In January 2023, OCIF issued a Complaint and Order of Provisional and Permanent Appointment of Receiver (Receivership Order), where it, among other things, appointed a receiver to complete Bancrédito’s liquidation and administer its assets.

1. Bancrédito Executive A

Executive A was a citizen of Venezuela and Italy, and a resident of the United Kingdom. Executive A founded Bancrédito in or around August 2008. Executive A was the indirect beneficial owner of Bancrédito through his ownership in its parent companies. Executive A also served as Bancrédito’s Chairman of the Board of Directors until August 4, 2022. Prior to founding Bancrédito, Executive A worked at multiple Venezuelan banks. Executive A held multiple accounts at Bancrédito, including an account in the name of a Hong Kong-based personal investment company owned by Executive A (the PIC Account) and an account in the name of a Cayman Islands securities broker-dealer, also indirectly owned by Executive A. During the Relevant Time Period, Executive A exercised control over the day-to-day operations of the Bank.

2. Oversight by OCIF

The high-risk nature of Bancrédito’s customer base, especially those with ties to Venezuela, warranted robust BSA compliance. Instead, the Bank’s compliance with the BSA has been marked by repeated deficiencies and violations, as reported in multiple OCIF examinations. OCIF

examined the Bank in 2010, 2012, and 2014, and in each case identified several BSA deficiencies and other violations, including failure to report suspicious activity to FinCEN and AML program violations (consistent with BSA requirements). On October 1, 2015, Bancrédito entered into a consent order (2015 Consent Order) with OCIF, in which it agreed to remedy these failures and violations.

In 2017 and 2019, OCIF examined Bancrédito and cited it for additional BSA violations, including failures to file SARs, failures to document decisions not to file SARs, and failures related to due diligence on correspondent accounts for foreign financial institutions, among other AML program deficiencies. On December 20, 2021—after the BSA required the Bank to comply with AML program requirements—Bancrédito and OCIF entered into a Memorandum of Understanding (2021 MOU). Bancrédito paid a fine and agreed to undertake remedial measures to address these ongoing violations. Bancrédito failed to comply with provisions of the 2021 MOU, including the requirement to establish a BSA/AML special compliance committee with a minimum number of independent directors. On May 16, 2022, OCIF began legal proceedings related to Bancrédito’s breach of the 2021 MOU.²⁰

Throughout the Relevant Time Period, Executive A engaged in a number of suspicious transactions through the Bank, between Executive A or entities under his control, between his personal and business accounts, or with his associates. Many of Executive A’s transactions generated internal alerts for possible suspicious activity. Some of these alerts were initially cleared while others were left unexamined for significant periods of time. Consequently, a number of these transactions would result in untimely SAR filings.²¹

²⁰ See *Querella y Orden para Mostrar Causa, OCIF v. Bancredito International Bank & Trust, Corp.*, C22-D-005 (OCIF May 16, 2022).

²¹ Prior to 2021, Bancrédito filed only one SAR on Executive A, despite OCIF notifying Bancrédito by at least early 2020 that certain transactions involving Executive A had gone unreported.

As set forth below, FinCEN has determined that these facts establish that Bancrédito willfully violated the BSA by failing to timely and adequately file SARs on suspicious transactions moving through the Bank, failing to establish an adequate due diligence program for correspondent accounts for foreign financial institutions, and failing to implement and maintain an adequate AML program.

G. The Bank Failed to File Suspicious Activity Reports

The BSA and its implementing regulations require all banks to report transactions that involve or aggregate to at least \$5,000, are conducted by, at, or through the bank, and that the bank “knows, suspects, or has reason to suspect” are suspicious.²² A transaction is “suspicious” if a bank “knows, suspects, or has reason to suspect” the transaction: (a) involves funds derived from illegal activities, or is conducted to disguise funds derived from illegal activities; (b) is designed to evade the reporting or recordkeeping requirements of the BSA or regulations implementing it; or (c) has no business or apparent lawful purpose or is not the sort in which the customer normally would be expected to engage, and the bank knows of no reasonable explanation for the transaction after examining the available facts, including background and possible purpose of the transaction.²³ A bank is required to file a SAR no later than 30 calendar days after the initial detection by the bank of the facts that may constitute a basis for filing a SAR.²⁴

FinCEN, law enforcement, and other regulators rely on financial institutions’ accurate and timely filing of SARs to obtain the necessary transparency into potentially illicit activity. Known subjects involved in the suspicious activity should be identified in the appropriate fields on the

²² 31 U.S.C. § 5318(g); 31 C.F.R. § 1020.320.

²³ 31 C.F.R. § 1020.320(a)(2)(i)-(iii).

²⁴ 31 C.F.R. § 1020.320(b)(3).

SAR form to prepare a SAR accurately and completely.²⁵ Investigators use these names and other identifiers to retrieve relevant records related to the subjects and targets of an investigation. Failure to file a SAR can hamper an investigator's ability to identify relevant records. Additionally, filing SARs without properly identifying the subjects (*i.e.*, failing to identify all subjects connected to the conduct) can obfuscate the true nature of the activity and those involved.

During the Relevant Time Period, the BSA required all banks—including IBEs and other banks not regulated by a Federal functional regulator—to file SARs on suspicious activity, as described above. Prior to 2016, Bancrédito did not file a single SAR on any transaction, despite moving large amounts of money internationally on behalf of high-risk customers, including those located in Venezuela. Bancrédito failed to file SARs during this time despite numerous related examination findings and the 2015 Consent Order, which explicitly reinforced Bancrédito's obligation to monitor all its transactions for suspicious activity and to file SARs with FinCEN. Bancrédito's failure to file SARs, or limited SAR filings, continued for several years after 2016, particularly in regard to the detection and reporting of suspicious activity involving Executive A and his business associates, suspicious activity moving through foreign correspondent accounts, and suspicious activity involving customers in the high-risk jurisdiction of Venezuela. In its 2019 examination, OCIF identified dozens of transactions between October 2016 and March 2019 where Bancrédito should have filed a SAR, including several where Executive A was a party to the transactions. Following that examination, OCIF instructed Bancrédito to backfile SARs on over 300 transactions. Bancrédito only agreed to backfile SARs on 182 transactions.²⁶ Even then, a

²⁵ FinCEN, [FinCEN Suspicious Activity Report \(FinCEN SAR\) Electronic Filing Instructions](#), Version 1.2 (Oct. 2012).

²⁶ Many of these excluded suspicious transactions were escalated as suspicious during a suspicious activity lookback review.

significant number of these 182 SARs included language in the narrative disputing whether OCIF properly identified the activity as suspicious. FinCEN determined that the misleading language Bancrédito included in these SARs undermines the value and integrity of suspicious activity reporting, and creates potential confusion for law enforcement.

In 2021, OCIF further instructed Bancrédito to perform a lookback review of its transactions for the period of 2016 through 2020. A third-party consultant conducted an independent lookback review in 2022, which identified and escalated hundreds of additional transactions (not identified by the Bank's earlier 2019 internal review described above) that presented red flags of potentially suspicious activity to Bancrédito's BSA/Compliance Department. Ultimately, the independent lookback review supported OCIF's original findings that the over 300 transactions were suspicious, and resulted in Bancrédito belatedly filing SARs capturing all escalated transactions, and confirming the Bank's failure to detect and report suspicious activity.

FinCEN independently identified hundreds of millions of dollars in suspicious transactions on which it has determined Bancrédito failed to file timely SARs. The following are selected examples:

1. Customer A

Customer A, an associate of Executive A, was a Venezuelan national with residences in Venezuela, and Miami, Florida. Customer A opened a personal banking account at Bancrédito in March 2014. At the time Customer A opened his account, Customer A was publicly named in a civil lawsuit stemming from a connection to a criminal Venezuelan Ponzi and bribery scheme. Further, publicly available information connected a close relative of Customer A to Hugo Chavez.

Customer A reported to Bancrédito that he owned multiple restaurants, jewelry stores,

bought and sold art, bought and sold vehicles and airplanes, lent money, was the president of multiple companies, and was the chief financial officer of another company. When pressed by OCIF and FinCEN, Bancrédito was unable to substantiate several of these claims, or Customer A's anticipated income and expenses, with financial statements, tax returns, beneficial ownership information, or other independent information. Throughout the Relevant Time Period, Executive A and Customer A engaged in a series of transactions that were inconsistent with the personal nature of Customer A's account, were outside of the range of anticipated transactions as reflected in Customer A's customer due diligence documents, and had other suspicious indicia. Bancrédito did not timely file SARs on these suspicious transactions.

For example, in May 2017, Executive A wired \$1,000,000 from the PIC Account to Customer A's personal account at Bancrédito. Immediately thereafter, Customer A wired the \$1,000,000 from his personal account at Bancrédito to a corporate account at another financial institution. Both Customer A and Executive A told Bancrédito that this wire transfer was for the exchange of dollars to euros at a favorable rate. However, Bancrédito had no information to indicate Customer A held euro-denominated accounts at any bank, and Customer A did not provide any documentation showing any subsequent transfer in euros.

In June 2019, Customer A sold a piece of art for \$7.5 million to Executive A's Cayman Islands broker-dealer company. Customer A received \$1 million on the date of execution of the purchase agreement and agreed to receive the remaining \$6.5 million within the 18 months following the execution date of the agreement. The deposit of these funds by a broker-dealer was inconsistent with Customer A's stated use of the account for personal funds, and the volume was well-above the expected cash account flows into the account. Further, Bancrédito did not have or seek information to support Customer A's lawful acquisition of this piece of art.

2. Customer B

Customer B was a Venezuelan national residing in Miami, Florida, and an associate of Customer A. In 2016, when Bancrédito onboarded Customer B, publicly available information reflected that a close relative of Customer B was an executive at a state-owned Venezuelan bank, who, in 2013, was convicted of U.S. federal criminal violations relating to a foreign bribery and money laundering scheme.

In June 2016, Customer B opened an account at Bancrédito in the name of Company 1, a Florida company wholly owned by Customer B. At account opening, Customer B presented to Bancrédito that Company 1 was a real estate company with anticipated account activity of one to five incoming and outgoing transactions each month, totaling between \$50,000 and \$100,000.

Prior to Customer B opening his account with Bancrédito, the U.S. government forfeited funds in connection with the criminal conviction of Customer B's close relative. To effect the forfeiture, attorneys for Customer B's close relative collected potentially forfeitable funds under the control of Customer B's close relative and held those funds in escrow. As was reflected in a publicly available court document, at least some portion of the funds came from an account in Switzerland held in Customer B's name. Another portion of the funds came from a British Virgin Islands-incorporated company that Customer B purported to beneficially own. After the adjudication of the forfeiture matter, starting in July 2016—one month after Customer B opened the Company 1 account at Bancrédito—attorneys for Customer B's close relative transferred a combined sum of over \$13.6 million to Company 1's corporate account at Bancrédito. Customer B provided a letter from a law firm and other documentation purporting to support the legitimacy of this transaction and purporting to represent the beneficial ownership information for the British Virgin Islands company. However, Bancrédito did not independently verify the claims made in the letter,

including corroborating the beneficial ownership information, which was unusual in that Customer B was a minor at the time that Company 1 was incorporated in his name. Bancrédito did not timely file SARs on these transactions.

In July 2018, Customer B used a portion of the funds in the Company 1 account to purchase securities through Executive A's Cayman Islands broker-dealer in securities. Customer B then used these securities as collateral for a liquid facility agreement (a kind of line of credit) from Bancrédito. Customer B used the funds from the liquid facility agreement to acquire a luxury apartment in South Florida. On January 31, 2019, Customer B liquidated the securities and paid off the liquid facility agreement. Bancrédito did not timely file SARs on these transactions.

3. Customer C

Customer C was a private investment company, created for the purpose of owning a luxury yacht, with an account at Bancrédito. Between December 2016 and June 2018, Executive A initiated a series of five transfers from the PIC Account to various payees totaling over \$1.3 million. The stated purpose for each of these transfers was to make payments for the renovation of the yacht under the control of Customer C. However, neither Executive A nor his Hong Kong-based private investment company that was the beneficial owner of the PIC Account held any ownership interest in this yacht or Customer C. Further, Bancrédito had no information in its possession identifying the true beneficial owner of the yacht. Several of these transactions generated alerts in Bancrédito's automated transaction monitoring system but Bancrédito closed the transactions as "normal" without validating the stated purpose of these payments. Bancrédito did not timely file SARs on these transactions.

H. The Bank Did Not Conduct Adequate Due Diligence on Foreign Correspondent Accounts.

Foreign correspondent accounts are used as a gateway to the U.S. financial system. One of the central goals of the USA PATRIOT Act was to protect the U.S. financial system by requiring certain records, reports, and due diligence programs for foreign correspondent accounts.²⁷ Accordingly, the BSA requires all “covered financial institutions,” including IBEs such as Bancrédito to:

establish a due diligence program that includes appropriate, specific, risk-based, and, where necessary, enhanced policies, procedures, and controls that are reasonably designed to enable the covered financial institution to detect and report, on an ongoing basis, any known or suspected money laundering activity conducted through or involving any correspondent account established, maintained, administered, or managed by such covered financial institution in the United States for a foreign financial institution.²⁸

This foreign correspondent account due diligence rule imposes certain specific requirements on covered financial institutions, specifically,

- (1) Determining whether any such correspondent account is subject to [enhanced due diligence];
- (2) Assessing the money laundering risk presented by such correspondent account, based on a consideration of all relevant factors, which shall include, as appropriate:
 - (i) The nature of the foreign financial institution’s business and the markets it serves;
 - (ii) The type, purpose, and anticipated activity of such correspondent account;
 - (iii) The nature and duration of the covered financial institution’s relationship with the foreign financial institution (and any of its affiliates);
 - (iv) The anti-money laundering and supervisory regime of the jurisdiction that issued the charter or license to the foreign financial institution, and, to the extent

²⁷ See USA PATRIOT Act, as amended, § 302(a) (6) (“(a) . . . Congress finds that . . . (6) correspondent banking facilities are one of the banking mechanisms susceptible in some circumstances to manipulation by foreign banks to permit the laundering of funds by hiding the identity of real parties in interest to financial transactions[.]”).

²⁸ 31 C.F.R. § 1010.610.

that information regarding such jurisdiction is reasonably available, of the jurisdiction in which any company that is an owner of the foreign financial institution is incorporated or chartered; and

(v) Information known or reasonably available to the covered financial institution about the foreign financial institution's anti-money laundering record; and

(3) Applying risk-based procedures and controls to each such correspondent account reasonably designed to detect and report known or suspected money laundering activity, including a periodic review of the correspondent account activity sufficient to determine consistency with information obtained about the type, purpose, and anticipated activity of the account.²⁹

Under Puerto Rico law, an IBE cannot provide correspondent bank accounts for foreign financial institutions unless given permission to do so by OCIF.³⁰ Bancrédito sought permission to provide such services shortly after entering into the 2015 Consent Order, and OCIF granted that permission on March 29, 2016. OCIF first examined Bancrédito's provision of correspondent banking services in its 2016 examination. Although OCIF noted some deficiencies in Bancrédito's correspondent account due diligence program, OCIF rated the program as "adequate." Thereafter, Bancrédito's correspondent account due diligence program deteriorated. In its 2019 examination—by which time the number of Bancrédito's correspondent accounts had more than doubled—OCIF found substantial deficiencies. Such violations included, among other things: due diligence forms that were incomplete and missing key information necessary to determine whether transactions were reasonable or suspicious; the failure by compliance personnel to review or scrutinize invoices for high-risk correspondent transactions; and the failure by Bancrédito to compare high-risk transactions to anticipated transaction volume and account balances. OCIF also identified multiple suspicious transactions moving through Bancrédito's correspondent accounts with respect to which Bancrédito did not file a SAR.

²⁹ 31 C.F.R. § 1010.610(a).

³⁰ 7 L.P.R.A. § 232j(a)(23).

Based on the above, OCIF issued a Matter Requiring Board Attention requiring the Bank to take “immediate action” to address its deficient correspondent account due diligence program. OCIF then reiterated in the 2021 MOU that Bancrédito needed to bring its correspondent account due diligence program into compliance with the law. Specifically, the 2021 MOU required Bancrédito to implement substantial changes to address these failures. Further, because of the historical and ongoing failures, the 2021 MOU required Bancrédito to perform a lookback on, among other things, “all accounts and transactions from foreign correspondent accounts” between October 1, 2016, and December 17, 2020. Additionally, FinCEN has since identified tens of thousands of transactions by high-risk accountholders processed through Bancrédito’s foreign correspondent accounts, representing hundreds of millions of dollars in transactions. The following examples are illustrative of Bancrédito’s failure to establish an adequate correspondent account due diligence program:

1. AllBank Corporation

AllBank Corporation (AllBank) was a Panamanian bank with operations in Panama, a jurisdiction that had a high risk for money laundering during part of the Relevant Time Period. AllBank held a correspondent account at Bancrédito from 2014 to 2019, during which time it transferred over \$100 million through Bancrédito. During this time, Bancrédito permitted AllBank to conduct cross-border transactions through its correspondent accounts, at times without conducting any analysis on the underlying transactions at issue. For example:

- a. Company 2** was a Panamanian company and an AllBank customer purporting to provide online education, but with no web presence offering such services. On the contrary, publicly available documents indicated that Company 2 was in the business of buying and selling cryptocurrency. Contemporaneous adverse media connected

Company 2 to a risky cryptocurrency venture (what later became known as the OneCoin Ponzi scheme). Between August and November 2018, companies in Colombia transferred \$970,000 in six wires through AllBank's correspondent account at Bancrédito to Company 2.

- b. Company 3** was a Panamanian company and an AllBank customer. **Individual A** was a Venezuelan national, President of Company 3, and an AllBank customer. By at least 2015 publicly available information connected Individual A to possible drug crimes. Specifically, Individual A had filed suit against the United States seeking the return of a yacht and an airplane seized by the Drug Enforcement Administration. Nevertheless, between December 2017 and September 2018, Company 3 transferred several hundred thousand dollars through AllBank's correspondent account at Bancrédito to various parties including to another account held by Company 3, an account held by Individual A, and a Bahamian trust company.
- c. Company 4** was a Venezuelan company purporting to operate in the construction industry and a customer of AllBank. On December 29, 2016, Company 4 transmitted a \$100,000 wire that cleared through AllBank's correspondent account at Bancrédito to a British Virgin Islands company. Publicly available information connected the British Virgin Islands company to an address commonly affiliated with shell companies and indicated that its ultimate beneficial owner was **Individual B**. At the time, publicly available information indicated that Individual B was a Venezuelan national convicted of operating in the United States as an unregistered agent of Venezuela and who was involved in the bribery of Argentine government officials with Venezuelan government funds.

Bancrédito's failure to conduct due diligence on its correspondent accounts for foreign financial institutions meant that it did not have sufficient information to verify the true nature and purpose of wire transfers. Further, the absence of this due diligence information also meant that Bancrédito failed to identify such activity as suspicious and to file SARs where required by the BSA. In September 2019, Panamanian authorities seized AllBank and initiated liquidation proceedings based in part on its failure to comply with appropriate AML laws in Panama.

I. The Bank Failed to Implement an Adequate Anti-Money Laundering Program.

In order to guard against money laundering, the BSA and its implementing regulations require banks lacking a Federal functional regulator, such as IBEs like Bancrédito, to establish and maintain an AML program that is reasonably designed to assure and monitor BSA compliance, and includes at a minimum the following "pillars": (a) the development of internal policies, procedures, and controls; (b) an independent audit function to test programs; (c) designation of a compliance officer; (d) an ongoing employee training program; and (e) appropriate risk-based procedures for conducting ongoing customer due diligence.³¹

As of March 15, 2021, the BSA required Bancrédito to implement and maintain an AML program. OCIF previously examined Bancrédito's AML program under Puerto Rico law. In fact, the Bank's AML program failures, including violations of every pillar, were the subject of the 2015 Consent Order. Bancrédito agreed, among other things, to create a standing Compliance and Corporate Governance Committee of the Board of Directors to monitor compliance with the BSA; analyze and assess the Bank's entire AML program; develop, adopt, and implement a revised, written AML compliance program; provide training to all appropriate personnel; review and

³¹ 31 U.S.C. § 5318(h); 31 C.F.R. § 1020.210(b).

improve the Bank's customer due diligence policies, procedures, and processes; and monitor all transactions for suspicious activity, detect suspicious activity, and file SARs where appropriate.

Despite Bancrédito's agreement to improve its AML program, OCIF later cited the Bank for having an ineffective AML program in its two subsequent examinations. In its 2019 examination, OCIF cited Bancrédito for violations relating to internal controls, BSA officer, training, and independent testing, as well as the requirement to conduct ongoing monitoring to identify and report suspicious activity.

By the time Bancrédito became subject of FinCEN's BSA's AML program requirements in March 2021, Bancrédito had several years of notice that it was required to implement and maintain an AML program that met the four pillars. However, as of March 2021, Bancrédito was not in compliance with this requirement, and did not come into compliance with the requirement during the Relevant Time Period. For example, from March 2021 through the end of the Relevant Time Period, FinCEN determined that Bancrédito failed to conduct ongoing monitoring to identify and report suspicious transactions to FinCEN. Specifically, high-risk customers on whom the Bank previously filed SARs conducted over \$100 million in suspicious transactions through the Bank, including to accounts affiliated with Executive A, yet Bancrédito did not timely file SARs on suspicious transactions that were part of this reporting activity. This occurred even as Bancrédito was under an OCIF MOU and under investigation by FinCEN.

Further, in December 2021, OCIF and Bancrédito entered into the 2021 MOU, whereby Bancrédito agreed to staff a Special BSA Director's Committee to overhaul its AML program, and to improve all AML program pillars. Bancrédito did not fulfill the commitments it made in the 2021 MOU, including failing to staff such committee as agreed, and did not bring its AML program into compliance with the BSA by the end of the Relevant Time Period.

II. VIOLATIONS

FinCEN has determined that Bancrédito willfully violated the BSA and its implementing regulations during the Relevant Time Period. Specifically, FinCEN has determined that Bancrédito:

- (1) willfully violated the requirement at 31 U.S.C. § 5318(g) and 31 C.F.R. § 1020.320 to report suspicious transactions;
- (2) willfully violated the requirement at 31 U.S.C. § 5318(i) and 31 C.F.R. § 1010.610 to establish a due diligence program for correspondent accounts established, maintained, administered, or managed in the United States for foreign financial institutions, from October 1, 2016, to the end of the Relevant Time Period; and
- (3) willfully violated the requirement at 31 U.S.C. § 5318(h) and 31 C.F.R. § 1020.210 to implement and maintain an AML program, from March 15, 2021, to the end of the Relevant Time Period.

III. ENFORCEMENT FACTORS

FinCEN considered all of the factors outlined in the Statement on Enforcement of the BSA, issued August 18, 2020, when deciding whether to impose a civil money penalty in this matter.³² The following factors were particularly relevant to FinCEN's evaluation of the appropriate disposition of this matter, including the decision to impose a civil money penalty and the size of the penalty.

- **Nature and seriousness of the violations, including the extent of possible harm to the public and the amounts involved:** Bancrédito's violations of the BSA and its implementing regulations were serious and risked significant possible harm to the public. During its more than 15 years in operation, Bancrédito conducted several billion dollars in transactions through the U.S. financial system. The Bank conducted a large portion of its banking with persons doing business in or with Venezuela, a

³² FinCEN, [Statement on Enforcement of the BSA](#) (Aug. 18, 2020).

high-risk jurisdiction subject to sanctions. For at least five years, Bancrédito also provided foreign correspondent accounts to high-risk financial institutions. Despite adverse findings by OCIF, the Bank did not timely file SARs on hundreds of millions of dollars in suspicious transactions as required under the BSA, it failed to establish an adequate due diligence program for correspondent accounts for foreign financial institutions, including several high-risk foreign financial institutions, and it failed to implement and maintain an adequate AML program.

- **Impact or harm of the violations on FinCEN’s mission to safeguard the financial system from illicit use, combat money laundering, and promote national security:** Bancrédito operated as an offshore financial institution for persons conducting business in or with Venezuela, a high-risk jurisdiction subject to FinCEN warnings—warnings that FinCEN issues to safeguard the financial system from illicit use, combat money laundering, and promote national security. Bancrédito processed thousands of transactions with the same red flags identified in these warnings, including transactions with persons known to be connected to the Venezuelan government, transactions between shell companies, transactions moving through multiple financial institutions or jurisdictions, and transactions for the purchase of real estate in South Florida. Bancrédito failed to properly monitor these transactions, failed to implement AML procedures that would allow it to detect suspicious activity moving through the Bank, and failed to file SARs on thousands of suspicious transactions over the course of several years.

- **Pervasiveness of wrongdoing within the institution, including management’s complicity in, condoning, or enabling of, or knowledge of the conduct underlying the violations:** Bancrédito’s actions reflect a culture of non-compliance with the BSA. Executive A or Executive A’s associates conducted many of the suspicious transactions that the Bank failed to detect initially.³³ Even when OCIF identified these transactions as suspicious and instructed Bancrédito to file SARs on them, Bancrédito did not timely file SARs on such transactions.
- **History of similar violations, or misconduct in general, including prior criminal, civil, and regulatory enforcement actions:** Bancrédito entered into a consent order with OCIF in 2015 and an MOU in 2021 due to similar BSA violations.
- **Financial gain or other benefit resulting from, or attributable to, the violations:** In recent years, Bancrédito has generated limited profits. In 2022, Bancrédito initiated its voluntary liquidation. Bancrédito has not been able to successfully obtain full custody or control over some of its assets or funds held outside the U.S., including funds at financial institutions associated with Executive A.
- **Presence or absence of prompt, effective action to terminate the violations upon discovery, including self-initiated remedial measures:** Bancrédito failed to take prompt or effective action to remediate or terminate violations identified by OCIF. For example, Bancrédito only filed a handful of SARs (after failing to file for seven years) and filing other SARs months or years after OCIF determined these certain transactions to be suspicious. The Bank delayed filing SARs on suspicious transactions that OCIF identified, and when it did file SARs on those transactions, it

³³ See, e.g., Plea Agreement, United States v. Diaz, No. 22-cr-00085 (D. P.R. March 4, 2022) (former President and CEO of Bancrédito pleading guilty to a multi-object conspiracy that includes violating the Bank Secrecy Act).

did so by including misleading surplusage.

- **Timely and voluntary disclosure of the violations to FinCEN:** Bancrédito did not voluntarily disclose its violations of the BSA to FinCEN or any other agency.
- **Quality and extent of cooperation with FinCEN and other relevant agencies, including as to potential wrongdoing by its directors, officers, employees, agents, and counterparties:** Bancrédito cooperated with FinCEN's investigation by providing documents in response to FinCEN's investigation and signing agreements tolling the statutes of limitations multiple times during FinCEN's investigation. Bancrédito completed an OCIF-mandated SAR lookback review on conduct occurring during the Relevant Time Period during the course of FinCEN's investigation.
- **Systemic Nature of the Violations. Considerations include, but are not limited to, the number and extent of violations, failure rates (e.g., the number of violations out of total number of transactions), and duration of violations:** Bancrédito's violations included large-dollar, offshore transfers of funds between persons in high-risk jurisdictions, especially Venezuela. Many of the violations are attributable to Executive A himself or entities related to Executive A. The violations occurred over many years.
- **Whether another agency took enforcement action for related activity. FinCEN will consider the amount of any fine, penalty, forfeiture, and/or remedial action ordered:** OCIF has imposed a civil money penalty under its own regulations arising from same pattern or practice of conduct associated with the violations described in this Consent Order.

IV. CIVIL PENALTY

For each willful violation, occurring after November 2, 2015, of the requirement at 31 U.S.C. § 5318(g) and 31 C.F.R. § 1020.320 to report suspicious transactions, FinCEN may impose a Civil Money Penalty not to exceed the greater of the amount involved in the transaction (capped at \$270,180) or \$67,544.³⁴

For each violation, occurring after November 2, 2015, of the requirement at 31 U.S.C. § 5318(i) and 31 C.F.R. § 1010.610 to implement a risk-based due diligence program for correspondent accounts established, maintained, administered, or managed in the United States for foreign financial institutions, FinCEN may impose a Civil Money Penalty “in an amount equal to not less than two (2) times the amount of the transaction,” but not more than \$1,677,030.³⁵

For each willful violation, occurring after November 2, 2015, of the requirement at 31 U.S.C. § 5318(h) and 31 C.F.R. § 1020.210 to implement an effective, risk-based AML program, FinCEN may impose a Civil Money Penalty of up to \$67,544. A separate violation occurs for each day that an adequate AML program has not been implemented.³⁶

After considering all the facts and circumstances, as well as the enforcement factors discussed above, FinCEN is imposing a Civil Money Penalty of \$15,000,000 (fifteen million dollars) in this matter. Bancrédito shall make payment in the aggregate amount of \$15,000,000 (fifteen million dollars) to the U.S. Department of the Treasury pursuant to the payment instructions that will be transmitted to Bancrédito upon execution of this Consent Order.

³⁴ 31 U.S.C. § 5321(a)(1); 31 C.F.R. § 1010.821.

³⁵ 31 U.S.C. § 5321(a)(7); 31 C.F.R. § 1010.821.

³⁶ 31 U.S.C. § 5321(a)(1); 31 C.F.R. § 1010.821.

V. REMEDIAL REQUIREMENTS

Bancrédito agrees to the following Undertakings:

A. LICENSE SURRENDER

Bancrédito agrees to surrender its IBE license, and that it will not seek to repudiate, or otherwise cancel the surrender of its IBE license, and not seek to obtain any new banking license. This requirement is distinct from any requirement contained in OCIF's Receivership Order. FinCEN, in its sole discretion, may determine whether Bancrédito has complied with all of the terms in this Order related to the surrender of its IBE license. For good cause, FinCEN, in its sole discretion, may choose to waive all or any portion of this Undertaking.

FinCEN acknowledges that as of the date of this Consent Order, Bancrédito has surrendered its IBE license.

B. RECORDS PRESERVATION

Bancrédito agrees to take all reasonable steps to provide for the preservation of all business records related to compliance with the BSA and its implementing regulations for a period of at least five years from the effective date of this Consent Order. Such records shall be made available to FinCEN, any law enforcement agency, or any regulatory agency upon request, subject to applicable laws and regulations, as well as valid and properly documented claims of attorney-client privilege or the attorney work product doctrine.

FinCEN, in its sole discretion, may determine whether Bancrédito has complied with any of the requirements of the Record Preservation Undertaking.

VI. CONSENT AND ADMISSIONS

To resolve this matter, and only for that purpose, Bancrédito admits to the Statement of Facts and Violations set forth in this Consent Order and admits that it willfully violated the BSA and its

implementing regulations. Bancrédito consents to the use of the Statement of Facts, and any other findings, determinations, and conclusions of law set forth in this Consent Order, in any other proceeding brought by or on behalf of FinCEN, or to which FinCEN is a party or claimant, and agrees they shall be taken as true and correct and be given preclusive effect without any further proof. Bancrédito understands and agrees that in any administrative or judicial proceeding brought by or on behalf of FinCEN against it, including any proceeding to enforce the Civil Money Penalty imposed by this Consent Order or for any equitable remedies under the BSA, Bancrédito shall be precluded from disputing any fact or contesting any determinations set forth in this Consent Order.

To resolve this matter, Bancrédito agrees to and consents to the issuance of this Consent Order and all terms herein and agrees to make a payment of \$15,000,000 (fifteen million dollars) to the U.S. Department of the Treasury pursuant to the payment instructions that will be transmitted to Bancrédito upon execution of this Consent Order. If timely payment is not made, Bancrédito agrees that interest, penalties, and administrative costs will accrue.³⁷

Bancrédito understands and agrees that it must treat the Civil Money Penalty paid under this Consent Order as a penalty paid to the government and may not claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any payments made to satisfy the Civil Money Penalty. Bancrédito understands and agrees that any acceptance by or on behalf of FinCEN of any partial payment of the Civil Money Penalty obligation will not be deemed a waiver of Bancrédito's obligation to make further payments pursuant to this Consent Order, or a waiver of FinCEN's right to seek to compel payment of any amount assessed under the terms of this Consent Order, including any applicable interest, penalties, or other administrative costs.

Bancrédito affirms that it agrees to and approves this Consent Order and all terms herein

³⁷ 31 U.S.C. § 3717; 31 C.F.R. § 901.9.

freely and voluntarily and that no offers, promises, or inducements of any nature whatsoever have been made by FinCEN or any employee, agent, or representative of FinCEN to induce Bancrédito to agree to or approve this Consent Order, except as specified in this Consent Order.

Bancrédito understands and agrees that this Consent Order implements and embodies the entire agreement between Bancrédito and FinCEN, and its terms relate only to this enforcement matter and any related proceeding, and the facts and determinations contained herein. Bancrédito further understands and agrees that there are no express or implied promises, representations, or agreements between Bancrédito and FinCEN other than those expressly set forth or referred to in this Consent Order and that nothing in this Consent Order is binding on any other law enforcement or regulatory agency or any other governmental authority, whether foreign, Federal, State, or local.

Bancrédito understands and agrees that nothing in this Consent Order may be construed as allowing Bancrédito, its holding company(ies), subsidiaries, affiliates, Board, officers, employees, or agents to violate any law, rule, or regulation.

Bancrédito consents to the continued jurisdiction of the courts of the United States over it and waives any defense based on lack of personal jurisdiction or improper venue in any action to enforce the terms and conditions of this Consent Order or for any other purpose relevant to this enforcement action. Solely in connection with an action filed by or on behalf of FinCEN to enforce this Consent Order or for any other purpose relevant to this action, Bancrédito authorizes and agrees to accept all service of process and filings through the Notification procedures below and to waive formal service of process.

VII. COOPERATION

Bancrédito shall fully cooperate with FinCEN in any and all matters within the scope of or related to the Statement of Facts, including any investigation of its current or former directors,

officers, employees, agents, consultants, or any other party. Bancrédito understands that its cooperation pursuant to this paragraph shall include, but is not limited to, truthfully disclosing all factual information with respect to its activities, and those of its present and former directors, officers, employees, agents, and consultants. This obligation includes providing to FinCEN, upon request, any document, record or other tangible evidence in its possession, custody, or control, about which FinCEN may inquire of Bancrédito. Bancrédito's cooperation pursuant to this paragraph is subject to applicable laws and regulations, as well as valid and properly documented claims of attorney-client privilege or the attorney work-product doctrine.

VIII. RELEASE

Execution of this Consent Order and compliance with all of the terms of this Consent Order settles all claims that FinCEN may have against Bancrédito for the conduct described in this Consent Order during the Relevant Time Period. Execution of this Consent Order, and compliance with the terms of this Consent Order, does not release any claim that FinCEN may have for conduct by Bancrédito other than the conduct described in this Consent Order during the Relevant Time Period, or any claim that FinCEN may have against any current or former director, officer, owner, or employee of Bancrédito, or any other individual or entity other than those named in this Consent Order. In addition, this Consent Order does not release any claim or provide any other protection in any investigation, enforcement action, penalty assessment, or injunction relating to any conduct that occurs after the Relevant Time Period as described in this Consent Order.

IX. WAIVERS

Nothing in this Consent Order shall preclude any proceedings brought by, or on behalf of, FinCEN to enforce the terms of this Consent Order, nor shall it constitute a waiver of any right, power, or authority of any other representative of the United States or agencies thereof, including,

but not limited to, the Department of Justice.

In consenting to and approving this Consent Order, Bancrédito stipulates to the terms of this Consent Order and waives:

- A. Any and all defenses to this Consent Order, the Civil Money Penalty imposed by this Consent Order, and any action taken by or on behalf of FinCEN that can be waived, including any statute of limitations or other defense based on the passage of time;
- B. Any and all claims that FinCEN lacks jurisdiction over all matters set forth in this Consent Order, lacks the authority to issue this Consent Order or to impose the Civil Money Penalty, or lacks authority for any other action or proceeding related to the matters set forth in this Consent Order;
- C. Any and all claims that this Consent Order, any term of this Consent Order, the Civil Money Penalty, or compliance with this Consent Order, or the Civil Money Penalty, is in any way unlawful or violates the Constitution of the United States of America or any provision thereof;
- D. Any and all rights to judicial review, appeal or reconsideration, or to seek in any way to contest the validity of this Consent Order, any term of this Consent Order, or the Civil Money Penalty arising from this Consent Order;
- E. Any and all claims that this Consent Order does not have full force and effect, or cannot be enforced in any proceeding, due to changed circumstances, including any change in law; and
- F. Any and all claims for fees, costs, or expenses related in any way to this enforcement matter, Consent Order, or any related administrative action, whether arising under common law or under the terms of any statute, including, but not limited to, under the

Equal Access to Justice Act. Bancrédito agrees to bear its own costs and attorneys' fees.

X. VIOLATIONS OF THE CONSENT ORDER

Determination of whether Bancrédito has failed to comply with this Consent Order, or any portion thereof, and whether to pursue any further action or relief against Bancrédito, shall be in FinCEN's sole discretion. If FinCEN determines, in its sole discretion, that a failure to comply with this Consent Order, or any portion thereof, has occurred, or that Bancrédito has made any misrepresentations to FinCEN or any other government agency related to the underlying enforcement matter, FinCEN may void any and all releases or waivers contained in this Consent Order; reinstitute administrative proceedings; take any additional action that it deems appropriate; and pursue any and all violations, maximum penalties, injunctive relief, or other relief that FinCEN deems appropriate.

FinCEN may take any such action even if it did not take such action against Bancrédito in this Consent Order and notwithstanding the releases and waivers herein. In the event FinCEN takes such action under this paragraph, Bancrédito expressly agrees to toll any applicable statute of limitations and to waive any defenses based on a statute of limitations or the passage of time that may be applicable to the Statement of Facts in this Consent Order, until a date 180 days following Bancrédito's receipt of notice of FinCEN's determination that a misrepresentation or breach of this agreement has occurred, except as to claims already time barred as of the Effective Date of this Consent Order.

In the event that FinCEN determines that Bancrédito has made a misrepresentation or failed to comply with this Consent Order, or any portion thereof, all statements made by or on behalf of Bancrédito to FinCEN, including the Statement of Facts, whether prior or subsequent to this

Consent Order, will be admissible in evidence in any and all proceedings brought by or on behalf of FinCEN.

Bancrédito agrees that it will not assert any claim under the Constitution of the United States of America, Rule 408 of the Federal Rules of Evidence, or any other law or federal rule that any such statements should be suppressed or are otherwise inadmissible. Such statements will be treated as binding admissions, and Bancrédito agrees that it will be precluded from disputing or contesting any such statements. FinCEN shall have sole discretion over the decision to impute conduct or statements of any director, officer, employee, agent, or any person or entity acting on behalf of, or at the direction of Bancrédito in determining whether Bancrédito has violated any provision of this Consent Order.

XI. PUBLIC STATEMENTS

Bancrédito expressly agrees that it shall not, nor shall its attorneys, agents, partners, directors, officers, employees, affiliates, or any other person authorized to speak on its behalf or within its authority or control, take any action or make any public statement, directly or indirectly, contradicting its admissions and acceptance of responsibility or any terms of this Consent Order, including any fact finding, determination, or conclusion of law in this Consent Order.

FinCEN shall have sole discretion to determine whether any action or statement made by Bancrédito, or by any person under the authority, control, or speaking on behalf of Bancrédito contradicts this Consent Order, and whether Bancrédito has repudiated such statement.

XII. RECORD RETENTION

In addition to any other record retention required under applicable law, Bancrédito agrees to retain all documents and records required to be prepared or recorded under this Consent Order or otherwise necessary to demonstrate full compliance with each provision of this Consent Order,

including supporting data and documentation. Bancrédito agrees to retain these records for a period of five years after creation of the record, unless required to retain them for a longer period of time under applicable law.

XIII. SEVERABILITY

Bancrédito agrees that if a court of competent jurisdiction considers any of the provisions of this Consent Order unenforceable, such unenforceability does not render the entire Consent Order unenforceable. Rather, the entire Consent Order will be construed as if not containing the particular unenforceable provision(s), and the rights and obligations of FinCEN and Bancrédito shall be construed and enforced accordingly.

XIV. SUCCESSORS AND ASSIGNS

Bancrédito agrees that the provisions of this Consent Order are binding on its owners, officers, employees, agents, representatives, affiliates, successors, assigns, and transferees to whom Bancrédito agrees to provide a copy of the executed Consent Order. Should Bancrédito seek to sell, merge, transfer, or assign its operations, or any portion thereof, that are the subject of this Consent Order, Bancrédito must, as a condition of sale, merger, transfer, or assignment obtain the written agreement of the buyer, merging entity, transferee, or assignee to comply with this Consent Order.

XV. MODIFICATIONS AND HEADINGS

This Consent Order can only be modified with the express written consent of FinCEN and Bancrédito. The headings in this Consent Order are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Order or its individual terms.

XVI. AUTHORIZED REPRESENTATIVE

Bancrédito's representative, by consenting to and approving this Consent Order, hereby represents and warrants that it has been duly appointed as receiver by OCIF and has full power and authority to consent to and approve this Consent Order for and on behalf of Bancrédito, and further represents and warrants that Bancrédito agrees to be bound by the terms and conditions of this Consent Order.

XVII. NOTIFICATION

Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Consent Order, they shall be made in writing and sent via first-class mail and simultaneous email, addressed as follows:

To FinCEN: Associate Director, Enforcement and Compliance
Division, Financial Crimes Enforcement Network,
P.O. Box 39, Vienna, Virginia 22183

To Bancrédito: Mr. Ryan Marin
Managing Member
Driven Administrative Services, LLC, as receiver of
Bancrédito International Bank and Trust Corporation
P.O. Box 363343
San Juan, Puerto Rico 00936-3343

Notices submitted pursuant to this paragraph will be deemed effective upon receipt unless otherwise provided in this Consent Order or approved by FinCEN in writing.

XVIII. COUNTERPARTS

This Consent Order may be signed in counterpart and electronically. Each counterpart, when executed and delivered, shall be an original, and all of the counterparts together shall constitute one and the same fully executed instrument.

XIX. EFFECTIVE DATE AND CALCULATION OF TIME

This Consent Order shall be effective upon the date signed by FinCEN. Calculation of deadlines and other time limitations set forth herein shall run from the effective date (excluding the effective date in the calculation) and be based on calendar days, unless otherwise noted, including intermediate Saturdays, Sundays, and legal holidays.

By Order of the Director of the Financial Crimes Enforcement Network.

/s/

Andrea Gacki
Director

Date:

Consented to and Approved By:

/s/

Mr. Ryan Marin
Managing Member
Driven Administrative Services, LLC, as receiver of Bancredito
International Bank and Trust Corporation

Date: