FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of GBC INTERNATIONAL BANK LOS ANGELES, CALIFORNIA (INSURED STATE NONMEMBER BANK)	CONSENT ORDER FDIC-15-0007b

The Federal Deposit Insurance Corporation ("FDIC") is the appropriate Federal banking agency for GBC International Bank, Los Angeles, California ("Bank") under Section 3(q) of the Federal Deposit Insurance Act ("FDI Act"), 12 U.S.C. § 1813(q)(3).

The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a Stipulation to the Issuance of a Consent Order ("Stipulation"), dated May 5, 2015, that is accepted by the FDIC. With the Stipulation, the Bank has consented, without admitting or denying any charges of unsafe or unsound banking practices, to the issuance of this Consent Order ("Order") by the FDIC pursuant to Section 8(b)(1) of the FDI Act.

Having determined that the requirements for issuance of an order under Section 8(b) of the FDI Act, 12 U.S.C. §1818(b), and Section 8(s) of the FDI Act, 12 U.S.C. §1818(s), have been satisfied, the FDIC hereby orders that:

1. Within 120 days from the effective date of this Order, the Bank shall eliminate and/or correct all violations of law related to the Bank Secrecy Act ("BSA"), as more fully set forth in the September 15, 2014 Report of Examination. In addition, the Bank shall take all necessary steps to ensure future compliance with all applicable laws and regulations.

2. The Bank shall ensure that its BSA compliance program is managed by a qualified officer ("BSA Officer") who has the required authority, responsibility, training, time, resources, and management reporting structure to ensure compliance with BSA program requirements and BSA-related regulations, including without limitation: the identification of timely, accurate and complete reporting to law enforcement and supervisory authorities of unusual or suspicious activity or known or suspected criminal activity perpetrated against or involving the Bank; and monitoring the Bank's compliance and ensuring that full and complete corrective action is taken with respect to previously identified violations and deficiencies.

3. Within 120 days of the effective date of this Order, the Bank shall develop, adopt, and implement a written BSA compliance program, as required by the applicable provisions of Section 326.8 of the FDIC's Rules and Regulations, 12 C.F.R. § 326.8, designed to, among other things, ensure and maintain compliance by the Bank with the BSA and the rules and regulations issued pursuant thereto. The program shall ensure that clear and comprehensive BSA compliance reports are provided to the Board on a monthly basis. Further, the BSA compliance program shall establish policies and procedures to ensure compliance with the requirements of Subpart F of Part 1010 (General Provisions) of Title 31 of the Code of Federal Regulations for correspondent accounts maintained for foreign financial institutions. Such program and its implementation shall be in a manner acceptable to the Regional Director of the FDIC's San Francisco Regional Office ("Regional Director") as determined at subsequent examinations and/or visitations.

4. Within 90 days of the effective date of this Order, the Bank shall establish a system of internal controls to ensure compliance with the BSA and the rules and regulations issued pursuant thereto, including policies and procedures to detect and monitor all transactions

to ensure that they are not being conducted for illegitimate purposes and that there is full compliance with all applicable laws and regulations.

5. Within 120 days of the effective date of this Order, the Bank shall provide and document training by competent staff and/or independent contractors for all of the Directors of the Board and all appropriate personnel, including, without limitation, senior management, tellers, customer service representatives, lending officers, private and personal banking officers and all other customer contact personnel, in all aspects of regulatory and internal policies and procedures, and processes related to the BSA, with a specific concentration on accurate recordkeeping, form completion and the detection and reporting of known and/or suspected criminal activity. Training shall be updated on a regular basis, but no less than annually, to ensure that all personnel are provided with the most current and up-to-date information.

6. Within 60 days of the effective date of this Order, the Bank shall develop, adopt, and implement a written customer due diligence program and enhanced due diligence program. Such program and its implementation shall be in a manner acceptable to the Regional Director as determined at subsequent examinations and/or visitations of the Bank. At a minimum, the customer due diligence program shall provide for the following:

(a) A risk focused assessment of the customer base of the Bank to determine the appropriate level of enhanced due diligence necessary for those categories of customers that the Bank has reason to believe pose a heightened risk of illicit activities at or through the Bank.

(b) For those customers whose transactions require enhanced due diligence, policies and procedures to:

(i) Determine the appropriate documentation necessary to confirm the identity and business activities of the customer;

(ii) Understand the normal and expected transactions of the customer; and

(iii) Reasonably ensure the identification and timely, accurate and complete reporting of known or suspected criminal activity against or involving the Bank to law enforcement and supervisory authorities, as required by the suspicious activity reporting provisions of Part 353 of the FDIC's Rules and Regulations, 12 C.F.R. Part 353.

7. Within 120 days of the effective date of this Order, the BSA Officer shall review all accounts on the high-risk list and document and ensure the risk ratings are accurate. Enhanced due diligence shall be completed and documented on all customers determined to be high-risk. Further, the Bank's BSA Department shall regularly monitor all high-risk accounts and review high risk accounts at least annually. For those high risk businesses warranting site visits, they shall be conducted at least annually by individuals trained to look for specific BSA/AML risks and adequately documented.

8. Within 120 days of the effective date of this Order, Bank management shall obtain a qualified, independent validation of the integrity and accuracy of management information systems used in the BSA/AML compliance program, including a review of the viability of system rule-sets and the accuracy of data fields. Management shall implement all recommendations in the validation report within 30 days of receipt.

9. Beginning with the effective date of this Order, the Board or its designated Board BSA Compliance Committee shall oversee the Bank's compliance with the BSA and Parts 326 and 353 of the FDIC's Rules and Regulations. The Board or its designated BSA Compliance Committee shall receive reports from the BSA Officer required by Paragraph 3 of this Order regarding compliance with the BSA and Parts 326 and 353, at least monthly. Following the

effective date of this Order, the Board shall monitor and confirm the completion of actions taken by management to comply with the terms of this Order. The Board shall certify in writing to the Regional Director when all of the above actions have been accomplished. All actions taken by the Board pursuant to this Order shall be duly recorded in the minutes of its meetings.

10. Following the effective date of this Order, the Bank shall provide a copy of the Order or otherwise furnish a description of the Order to its shareholder(s) in conjunction with the Bank's next shareholder communication, and the notice or proxy statement preceding the Bank’s next shareholder meeting. The description shall fully describe the Order in all material respects. The description and any accompanying communication, statement, or notice shall be sent to the FDIC, Division Risk Management Supervision, Accounting and Securities Disclosure Section, 550 17th Street, N.W., Washington, D.C. 20429, at least 20 days prior to dissemination to shareholders. Any changes requested to be made by the FDIC shall be made prior to dissemination of the description, communication, notice, or statement.

11. Within 30 days of the end of the first quarter following the effective date of this Order, and within 30 days of the end of each quarter thereafter, the Bank shall furnish written progress reports to the Regional Director detailing the form and manner of any actions taken to secure compliance with this Order and the results thereof. Such reports shall include a copy of the Bank’s Reports of Condition and Income. Such reports may be discontinued when the corrections required by this Order have been accomplished and the Regional Director has released the Bank in writing from making further reports.

The provisions of this Order shall not bar, estop, or otherwise prevent the FDIC, or any other federal or state agency or department, from taking any other action against the Bank or any of the Bank’s current or former institution-affiliated parties, as that term is defined in Section

3(u) of the FDI Act, 12 U.S.C. § 1813(u).

This Order will become effective upon its issuance by the FDIC.

The provisions of this Order shall be binding upon the Bank, its institution-affiliated parties, and any successors and assigns thereof.

The provisions of this Order shall remain effective and enforceable except to the extent that and until such time as any provision has been modified, terminated, suspended, or set aside by the FDIC.

Issued pursuant to delegated authority.

Dated this 7th day of May, 2015.

/s/

Kathy L. Moe
Deputy Regional Director
Division of Risk Management Supervision
San Francisco Region
Federal Deposit Insurance Corporation