

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of)	ORDER TO CEASE AND DESIST
)	AND
YVONNE S.Y. LIU, individually,)	ORDER TO PAY
and as an institution-affiliated party of)	
)	FDIC-14-0196b
UNITED INTERNATIONAL BANK)	FDIC-14-0171k
FLUSHING, NEW YORK)	
)	
(Insured State Nonmember Bank))	
)	
)	

Yvonne S.Y. Liu ("Respondent") and a representative of the Legal Division of the Federal Deposit Insurance Corporation ("FDIC") executed a Stipulation and Consent to the Issuance of an Order to Cease and Desist and Order to Pay ("CONSENT AGREEMENT") dated August 30, 2014, whereby, solely for the purpose of this proceeding and without admitting or denying any violations of law or regulations and/or unsafe or unsound banking practices, Respondent consented to the issuance of this Order to Cease and Desist and Order to Pay ("ORDER") issued pursuant to 12 U.S.C. §§ 1818(b) and 1818(i) and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308.

The FDIC considered the matter and determined it had reason to believe that:

1. As an institution-affiliated party of United International Bank, Flushing, New York ("Bank"), Respondent violated Regulation O of the Board of Governors of the Federal Reserve ("Regulation O"), 12 C.F.R. Part 215, made applicable to state nonmember banks by 12 U.S.C. § 1828(j), engaged in unsafe and unsound banking practices and breached her fiduciary duty to the Bank by obtaining a \$250,000 extension of credit from the Bank and transferring all of the proceeds to a Bank insider.
2. Respondent, while a director and an "institution-affiliated party", as such term is defined in

12 U.S.C. § 1813(u), of the Bank violated Regulation O by obtaining a \$250,000 extension of credit from the Bank and transferring all the loan proceeds to a Bank insider. By her actions, Respondent made or renewed extensions of credit in contravention of the Bank's loan policy by failing to disclose the true purpose of the extension of credit to the Bank's loan committee and the board of directors of the Bank; failing to follow regulatory guidance and prudent banking practices regarding insider transactions; and participating in and causing the Bank to violate Regulation O.

3. Respondent failed to familiarize herself with the duties and responsibilities expected of a director of an insured depository institution, as set forth in guidance and materials provided and made available by the FDIC, including failing to carefully review and ensure the accuracy of any board and/or committee minutes, or any other such documents, that Respondent is expected to ratify with her signature, and failing to adhere to the written policies and procedures of the Bank.

4. By reason of the foregoing conduct, Respondent caused, brought about, participated in or counseled the Bank's violations of law and regulation and engaged in unsafe or unsound banking practices.

5. On August 15, 2014, Respondent resigned from her position as a Director of the Bank.

The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

ORDER TO CEASE AND DESIST

Having determined that the requirements for issuance of an order under 12 U.S.C. § 1818(b) have been satisfied, Respondent is hereby ORDERED TO CEASE AND DESIST from and take affirmative action, as follows:

1. Whenever Respondent is employed by, or is offered employment at, an insured depository institution or otherwise becomes an institution-affiliated party within the meaning of 12 U.S.C. § 1813(u), Respondent shall:

- a. Comply fully with all laws, regulations, and policies applicable to any insured depository institution with which she is or may become affiliated including, but not limited to, laws, regulations, and policies concerning Regulation O;
- b. Avoid engaging in any unsafe or unsound practices, as that term is used in Title 12 of the United States Code;
- c. Fulfill the fiduciary duties of loyalty and care owed to any insured depository institution with which she is or may become affiliated and shall, at all times, avoid placing her own interests above those of the institution;
- d. Attend a training session concerning Regulation O and regulations concerning insider transactions, and shall review the FDIC's Statement Concerning the Responsibilities of Bank Directors and Officers, FDIC Financial Institution Letter (FIL-87-92 dated December 3, 1992);
- e. Familiarize herself with, and adhere to, the written policies and procedures of any insured depository institution or agency with which she is or may become affiliated or seek and receive written permission from appropriate authorized individuals to do otherwise. In the event that Respondent is affiliated with an insured depository institution or agency with written policies and procedures that are more stringent than the provisions of this ORDER, Respondent shall adhere to the written policies and procedures of such insured depository institution or agency.

2. In the event Respondent currently is employed at any institution or agency specified in 12 U.S.C. § 1818(e)(7)(A) (hereinafter "insured depository institution"), Respondent shall, within ten (10) days of the execution of this ORDER, provide a copy of the ORDER to the Chairman of the board of directors of such institution.

3. Prior to accepting any position that would cause Respondent to become an "institution-affiliated party" within the meaning 12 U.S.C. § 1813(u), Respondent shall provide a copy of this ORDER to: (i) the Chairman of the Board of Directors of the insured depository institution; or (ii) a senior management official of the insured depository institution, provided that such official has been approved by the FDIC for this purpose.

4. Within ten (10) days of satisfying the requirements of paragraphs 1, 2 and/or 3, Respondent shall provide a written certification of her compliance to the Regional Director, FDIC, New York Regional Office, 350 Fifth Avenue, Suite 1200, New York, New York 10118.

ORDER TO PAY

5. After taking into account the CONSENT AGREEMENT, the appropriateness of the civil money penalty with respect to the good faith of Respondent, the gravity of the unsafe or unsound banking practices and/or breaches of fiduciary duty by Respondent, the history of previous violations by Respondent, and such other matters as justice may require, the FDIC accepts the CONSENT AGREEMENT, and it is further ordered that Respondent shall pay a civil money penalty in the amount of FIFTY THOUSAND DOLLARS (\$50,000).

6. Respondent is prohibited from seeking or accepting indemnification from any insured depository institution for any civil money penalty assessed and paid in this matter.

7. This ORDER shall be effective upon its issuance. The provisions of this ORDER shall remain effective and enforceable until September 1, 2024, except to the extent that, and until such time as, any provision has been modified, terminated, suspended or set aside by the FDIC.

Pursuant to delegated authority.

Dated at Washington, D.C. this 17th day of December, 2014.

/s/

Christopher J. Newbury
Associate Director
Division of Risk Management Supervision