

UNITED STATES OF AMERICA
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC

In the Matter of)	Docket No. 01-006-E-11
NELLY KANN DE GOUVERNEUR)	
A Former Employee and)	Order of Prohibition Issued
Institution-Affiliated)	Upon Consent
Party of)	Pursuant to the Federal Deposit
)	Insurance Act, as Amended
Banco Mercantil, C.A., S.A.C.A.,)	
New York Agency)	
New York, New York)	

WHEREAS, pursuant to sections 8(e) and (i)(3) of the Federal Deposit Insurance Act, as amended (the "FDI Act") (12 U.S.C. §§ 1818(e) and (i)(3)), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this Order of Prohibition (the "Order") against Nelly Kann de Gouverneur ("Kann"), a former employee and institution-affiliated party, as defined in sections 3(u) and 8(b)(4) of the FDI Act (12 U.S.C. §§ 1813(u) and 1818(b)(4)), of Banco Mercantil, C.A., S.A.C.A., New York Agency, New York, New York ("Mercantil"), a subsidiary of Banco Mercantil, C.A., S.A.C.A., Caracas, Venezuela, based on Kann's alleged violations of law and unsafe and unsound practices in connection with the structuring of deposits of cash and monetary instruments by private banking customers of Mercantil resulting in violations of the Currency and Foreign Transactions Reporting Act (31 U.S.C. § 5311 et seq.); and

WHEREAS, by affixing her signature hereunder, Kann has consented to the issuance of this Order by the Board of Governors and has consented to comply with each and every provision of this Order, and has waived any and all rights she might have, pursuant to section 8 of the FDI Act (12 U.S.C. § 1818) or 12 C.F.R. Part 263, or otherwise: (a) to the issuance of a notice of intent to prohibit on any matter set forth in the Order; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, terms, validity, effectiveness, or enforceability of this Order or any provision hereof;

NOW, THEREFORE, prior to the taking of any testimony or adjudication of or finding on any issue of fact or law implied or set forth herein, and without this Order constituting an admission of any allegation made or implied by the Board of Governors in connection herewith, and solely for the purpose of settlement of this proceeding without protracted or extended proceedings:

IT IS HEREBY ORDERED, pursuant to sections 8(e), (i)(3) and (j) of the FDI Act (12 U.S.C. § 1818(e), (i)(3) and (j)), that:

1. Kann, without the prior written approval of the Board of Governors and, where necessary pursuant to section 8(e)(7)(B) of the FDI Act (12 U.S.C. § 1818(e)(7)(B)), another Federal financial institution regulatory agency, is hereby and henceforth prohibited:

(a) from participating in any manner in the conduct of the affairs of any institution or agency specified in section 8(e)(7)(A) of the FDI Act (12 U.S.C. § 1818(c)(7)(A)), including, but not limited to, any insured depository institution or insured depository institution's holding company thereof or any U.S. agency or branch of a foreign bank;

(b) from soliciting, procuring, transferring, attempting to transfer, voting or attempting to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in section 8(e)(7)(A) of the FDI Act (12 U.S.C. § 1818(e)(7)(A));

(c) from violating any voting agreement previously approved by any Federal banking agency; or

(d) from voting for a director, or serving or acting as an institution-affiliated party, as defined in sections 3(u) and 8(b)(4) of the FDI Act (12 U.S.C. §§ 1813(u) and 1818(b)(4)), such as an officer, director, or employee in any institution described in section 8(e)(7)(A) of the FDI Act (12 U.S.C. § 1818(e)(7)(A)).

2. All communications regarding this Order shall be sent to:

(a) Nancy Bercovici
Senior Vice President
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

and a copy to:

Jonathan I. Polk, Esq.
Legal Department
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

(b) Nelly Kann de Gouverneur
515 East 79th Street, Apt. 3C
New York, NY 10021

3. Any violations of this Order shall separately subject Kann to appropriate civil or criminal penalties or both under sections 8(i) and (j) of the FDI Act (12 U.S.C. §§ 1818(i) and (j)).

4. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, or any federal or state agency or department from taking any other action affecting Kann, provided, however, that the Board of Governors shall not take any further action against Kann based upon information presently known by the Board of Governors relating to the matters set forth herein.

5. This Order, and each and every provision hereof, is and shall remain fully effective and enforceable until stayed, modified, terminated, or suspended in writing by the Board of Governors.

By order of the Board of Governors effective this 14th day of May, ~~2001~~ ²⁰⁰² June, 2001.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM


Nelly Kann de Gouverneur

By: 
Jennifer J. Johnson
Secretary of the Board