

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION
TALLAHASSEE, FLORIDA

Written Agreement by and among)	
)	
SELLA HOLDING BANCA, S.p.A.)	Docket Nos. 06-003-WA/RB-FB
Biella, Italy)	06-003-WA/RB-FA
)	
SELLA HOLDING BANCA, S.p.A.)	
d/b/a BANCA SELLA, S.p.A.)	
MIAMI AGENCY)	
Miami, Florida)	
)	
FEDERAL RESERVE BANK OF ATLANTA)	
Atlanta, Georgia)	
)	
and)	
)	
STATE OF FLORIDA)	
OFFICE OF FINANCIAL REGULATION)	
Tallahassee, Florida)	
)	

WHEREAS, Sella Holding Banca, S.p.A., Biella, Italy (“Banca Sella”), a foreign bank as defined in section 3101(7) of the International Banking Act (12 U.S.C. 3101(7)), and the Miami, Florida agency of Sella Holding Banca (the “Miami Agency”) are taking steps to address deficiencies relating to the Miami Agency’s compliance with applicable federal and state anti-money laundering (“AML”) laws, rules, and regulations, including the Bank Secrecy Act (the “BSA”), 31 U.S.C. 5311 et seq.; the rules and regulations issued thereunder by the U.S. Department of the Treasury (31 C.F.R. Part 103); the suspicious activity reporting requirements

of Regulation K of the Board of Governors of the Federal Reserve System (the “Board of Governors”) (12 C.F.R. 211.24(f)); and Section 655.50, Florida Statutes (2005);

WHEREAS, it is the common goal of Sella Holding Banca, the Miami Agency, the Federal Reserve Bank of Atlanta (the “Reserve Bank”), and the Florida Office of Financial Regulation (the “OFR”) to ensure that the Bank and the Miami Agency fully address all deficiencies in the Miami Agency’s AML policies and procedures, internal audit, and information technology function; and

WHEREAS, on April 3, 2006, the board of directors of Sella Holding Banca, at a duly constituted meeting, adopted a resolution authorizing and directing Paolo Galvani to enter into this Written Agreement (the “Agreement”) on behalf of Sella Holding Banca, and Paul Koch to enter into this Agreement on behalf of the Miami Agency, and consenting to compliance by Sella Holding Banca, the Miami Agency, and their institution-affiliated parties, as defined in sections 3(u) and 8(b)(4) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1813(u) and 1818(b)(4)), with each and every applicable provision of this Agreement.

NOW, THEREFORE, Sella Holding Banca, the Miami Agency, the Reserve Bank, and the OFR hereby agree as follows:

Anti-Money Laundering Compliance

1. Within 60 days of this Agreement, Sella Holding Banca and the Miami Agency shall jointly submit to the Reserve Bank and the OFR an acceptable written BSA/AML program designed to ensure the Miami Agency’s compliance with all applicable AML laws, rules, and regulations. The program shall include provisions for updates on an ongoing basis as necessary to incorporate amendments to the BSA and the rules and regulations issued thereunder. The program shall, at a minimum provide, for:

- (a) Enhanced internal controls, particularly in the area of transaction monitoring, to ensure compliance with all recordkeeping and reporting requirements;
- (b) the independent testing of compliance with the BSA and the rules and regulations issued thereunder through regular comprehensive compliance audits that are fully documented and conducted by qualified parties who are independent of Sella Holding Banca's and the Miami Agency's compliance function;
- (c) adequate resources for the BSA compliance officer, including sufficient staff levels, and authority to implement and maintain an effective program for compliance with all AML-related laws and regulations, which is commensurate with the Miami Agency's size and risk profile; and
- (d) effective training for all appropriate personnel at the Miami Agency in all aspects of AML regulatory requirements and internal policies and procedures, and updating of training on a regular basis to reasonably ensure that personnel are trained in the most current legal requirements, applicable industry best practices, and internal policies and procedures.

Suspicious Activity Reporting and Customer Due Diligence

2. Within 60 days of this Agreement, Sella Holding Banca and the Miami Agency shall jointly submit to the Reserve Bank and the OFR an acceptable written customer due diligence program designed to reasonably ensure the identification and timely, accurate, and complete reporting of all known or suspected violations of law against or involving the Miami Agency and suspicious transactions at the Miami Agency to law enforcement and supervisory authorities as required by the BSA and other applicable laws and regulations. At a minimum, the program shall include:

- (a) A methodology for assigning risk levels to the Miami Agency's customer base;
- (b) a risk focused assessment of the Miami Agency's customer base to:
 - (i) identify the categories of customers whose transactions and banking activities are routine and usual; and
 - (ii) determine the appropriate level of enhanced due diligence necessary for those categories of customers that pose a heightened risk of conducting potentially illicit activities at or through the Miami Agency;
- (c) for each customer whose transactions require enhanced due diligence, procedures to:
 - (i) determine the appropriate documentation necessary to verify the identity and business activities of the customer; and
 - (ii) understand the normal and expected transactions of the customer;and
- (d) procedures designed to ensure proper identification and reporting of all known or suspected violations of law and suspicious transactions, including but not limited to:
 - (i) effective monitoring of customer accounts and transactions; and
 - (ii) appropriate participation by Miami Agency senior management in the process of identifying, reviewing, and reporting potentially suspicious activity; and
- (e) procedures for determining whether the closure of an account is warranted and documenting such decision.

Internal Audit

3. Within 90 days of this Agreement, Sella Holding Banca and the Miami Agency shall jointly submit to the Reserve Bank and the OFR an acceptable written internal audit program for the Miami Agency, which, at a minimum, shall address, consider, and include:

(a) U.S. generally accepted auditing standards, including, but not limited to, the scope and frequency of audits;

(b) direct lines of reporting between the internal audit function and Banca Sella's board of directors;

(c) periodic assessment, at least annually, of the adequacy of the Miami Agency's internal controls, compliance with the Agency's policies and procedures, and compliance with all applicable federal and State of Florida laws and regulations;

(d) consistency with the Interagency Policy Statement on the Internal Audit Function and its Outsourcing, dated March 17, 2003; and

(e) sufficient resources and expertise necessary to ensure the complete and timely implementation of an effective internal audit program.

Information Technology

4. Within 90 days of this Agreement, Sella Holding Banca and the Miami Agency shall jointly submit to the Reserve Bank and the OFR an acceptable plan to improve management oversight of and strengthen the Miami Agency's information technology ("IT") function. The plan shall, at a minimum, ensure that the IT function is adequate to support the Miami Agency's operations and shall also address, consider, and include:

(a) Sufficient resources and expertise necessary to adequately manage and maintain the Miami Agency's IT systems and software;

(b) procedures to ensure adequate system monitoring;

- (c) procedures for risk-focusing and prioritizing the resolution of outstanding IT deficiencies;
- (d) physical security of the Miami Agency's IT systems; and
- (e) corrective actions to address the deficiencies related to the Miami Agency's IT function noted in the Report of Examination.

Approval, Implementation, and Progress Reports

5. (a) Sella Holding Banca and the Miami Agency shall submit written programs and a written plan that are acceptable to the Reserve Bank and the OFR within the applicable time periods set forth in paragraphs 1, 2, 3, and 4 of this Agreement.

(b) Sella Holding Banca and the Miami Agency shall adopt the approved programs and plan within 10 days of approval by the Reserve Bank and the OFR. Sella Holding Banca and the Miami Agency shall thereafter implement and fully comply with the approved programs and plan. During the term of this Agreement, the approved programs and plan shall not be amended or rescinded without the prior written approval of the Reserve Bank and the OFR.

6. (a) Within 10 days after the end of each calendar quarter following the date of this Agreement, Sella Holding Banca and the Miami Agency shall submit to the Reserve Bank and the OFR written progress reports detailing all actions taken to comply with the provisions of this Agreement, and the results thereof. Management's responses to any audit reports covering the Miami Agency's BSA/AML matters prepared by internal and external auditors shall be included with the progress report. The Reserve Bank and the OFR may, in writing, discontinue the requirement for progress reports or modify the reporting schedule.

(b) Within 10 days of this agreement, Sella Holding Banca shall appoint a senior level officer of the Miami Agency to be responsible for coordinating and submitting to the Reserve Bank and the OFR programs and plan required under paragraphs 1, 2, 3, and 4 of this Agreement. Such senior officer shall serve as the primary point of contact between the Reserve Bank and OFR and the Miami Agency for the purposes of this Agreement.

Notices

7. All communications regarding this Agreement shall be sent to:

- (a) Mr. Robert Schenck
Vice President
Federal Reserve Bank of Atlanta
1000 Peachtree Street, N.E.
Atlanta, Georgia 30309-4470
- (b) Ms. Linda B. Charity
Director
State of Florida
Office of Financial Regulation
200 E. Gaines Street
Tallahassee, Florida 32399-0371
- (c) Mr. Paolo Galvani
Deputy Manager International Directorate
c/o Sra. Lorena Sella
Segretaria Direzione
Sella Holding Banca
Via Italia 2
Biella, Italia 13900
- (d) Mr. Paul Koch
General Manager
Banca Sella, S.p.A.
801 Brickell Avenue
Suite 1970
Miami, Florida 33131

Miscellaneous

8. The provisions of this Agreement shall be binding on Sella Holding Banca, the Miami Agency, and each of their institution-affiliated parties in their capacities as such, and their successors and assigns.

9. Each provision of this Agreement shall remain effective and enforceable until jointly stayed, modified, terminated or suspended in writing by the Reserve Bank and the OFR.

10. Notwithstanding any provision of this Agreement, the Reserve Bank and the OFR may, in their sole discretion, grant written extensions of time to the Sella Holding Banca and the Miami Agency to comply with any provision of this Agreement.

11. The provisions of this Agreement shall not bar, estop, or otherwise prevent the Board of Governors, the Reserve Bank, the OFR or any federal or state agency from taking any further or other action affecting Sella Holding Banca, the Miami Agency, or any of their current or former institution-affiliated parties or their successors or assigns.

12. This Agreement is a "written agreement" for the purposes of, and is enforceable by the Board of Governors as an order issued under Section 8 of the Federal Deposit Insurance Act.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of this ²⁵~~31~~^{12th} day of April, 2006.

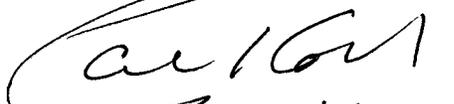
SELLA HOLDING BANCA, S.p.A.


By: PAOLO GALVANI

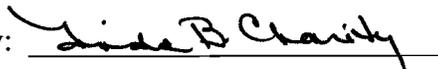
FEDERAL RESERVE BANK
OF ALANTA

By: 

BANCA SELLA, S.p.A.
MIAMI AGENCY


By: PAUL KOCH

FLORIDA OFFICE OF FINANCIAL
REGULATION

By: 
Linda B. Charity, Director
Division of Financial Institutions