

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

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In the Matter of	:	Docket No. 98-039-B-I
	:	98-039-CMP-I
HOGI PATRICK HYUN	:	
	:	Order to Cease and Desist
An Former	:	And Order of Assessment
Institution-Affiliated	:	of a Civil Money Penalty
Party of	:	Issued Upon Consent
	:	Pursuant to the Federal
BANKERS TRUST NEW YORK	:	Deposit Insurance Act,
CORPORATION	:	as Amended
New York, New York	:	
----- X	:	

WHEREAS, pursuant to Sections 8(b)(1) and 8(i) of the Federal Deposit Insurance Act, as amended (12 U.S.C. §§ 1818(b)(1) and 1818(i)) (the “FDI Act”), the Board of Governors of the Federal Reserve System (the “Board of Governors”) issues this combined Order to Cease and Desist and Order of Assessment of a Civil Money Penalty (the “Order”) against Hogi Patrick Hyun (“Hyun”), a former employee of BT Singapore, a wholly owned non-bank subsidiary of Bankers Trust New York Corporation, New York, New York (“BTNYC”), a bank holding company, and institution-affiliated party, as defined in Sections 3(u) and 8(b)(3) of the FDI Act (12 U.S.C. §§ 1813(u) and 1818(b)(3)), of BTNYC, in connection with Hyun’s involvement in the marketing and sale of leveraged derivative transactions to customers of BTNYC and its subsidiaries; and

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WHEREAS, by affixing his signature hereunder, Hyun has consented to the issuance of this Order by the Board of Governors and consented to comply with each and every provision of this Order, and waived any and all rights he might have pursuant to 12 U.S.C. § 1818 or 12 C.F.R. Part 263, or otherwise (a) to the issuance of a notice of charges and of hearing and of a notice of assessment of a civil money penalty; (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, validity, effectiveness, collectibility 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 herein, and without this Order constituting an admission by Hyun of any allegation made or implied by the Board of Governors in connection with this proceeding, and solely for the purpose of settlement of this proceeding without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED, pursuant to Sections 8(b) and 8(i) of the FDI Act, that:

1. For a period of five years from this Order, Hyun shall not serve as an institution-affiliated party of any institution or agency specified in Section 8(e)(7)(A) of the FDI Act, (12 U.S.C. § 1818(e)(7)(A)), including a bank, bank holding company, or nonbank subsidiary, where his duties include, directly or indirectly:

(a) participating in the structuring of derivative transactions for marketing or sale to customers;

(b) advising any customer regarding the purchase, sale or structuring of a derivative transaction; or

(c) preparing marketing materials regarding derivative transactions.

2. Should Hyun desire to become an institution-affiliated party, as defined in Sections 3(u) and 8(b)(3) and (4) of the FDI Act, of any institution or agency specified in Section 8(e)(7)(A) of the FDI Act, (12 U.S.C. § 1818(7)(A)), including, but not limited to, any insured depository institution, bank or thrift holding company, or U.S. agency or branch of a foreign bank, other than is set forth in paragraph 1, above, Hyun shall take all actions as are necessary, consistent with his responsibilities, to ensure that he will: (a) comply with all policies and procedures of his employer as they pertain to his duties; and (b) comply fully with all applicable laws and regulations.

3. At the conclusion of the period set forth in paragraph, 1 above, should Hyun desire to become an institution-affiliated party involved in structuring derivative transactions for the marketing or sale to, or on behalf of customers, depositors, or borrowers of any institution or agency specified in Section 8(e)(7)(A) of the FDI Act, Hyun shall take such actions as are necessary to ensure that he and the institution or agency markets and sells such transactions in a manner that is consistent with safe and sound banking or business practices, federal and state laws, and the rules and regulations of the Board of Governors.

4. Hyun shall pay to the Board of Governors a civil money penalty in the sum of \$120,000. No portion of Hyun's civil money penalty shall be, directly or indirectly, paid, advanced, reimbursed or otherwise funded by BTNYC, or any affiliate or subsidiary thereof.

5. The penalty assessed by this Order shall be remitted in full, at the time of Hyun's execution of this Order, payable to the "Board of Governors of the Federal Reserve System" and forwarded with Hyun's executed copy of this Order, to Jennifer J. Johnson, Secretary of the Board, Board of Governors of the Federal Reserve System, Washington, DC 20551, who shall make remittance of the same to the Treasury of the United States as required by statute.

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

(a) Ms. Rona Pocker
Senior Vice President
Federal Reserve Bank
of New York
33 Liberty Street
New York, NY 10045

and a copy to:

Karen E. Gifford, Esq.
Legal Department
Federal Reserve Bank
of New York
33 Liberty Street
New York, NY 10045

(b) Steven Reiss, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153

7. Each provision of this Order shall remain effective and enforceable until stayed, modified, terminated or suspended by the Board of Governors.

8. The provisions of this Order shall not bar, estop or otherwise prevent the Board of Governors, the Reserve Bank or any federal or state agency or department from taking any other action affecting Hyun; provided however, that neither the Board of Governors nor the

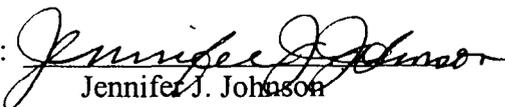
Reserve Bank shall take further action against Hyun, based upon information disclosed by Hyun regarding the marketing or sale of leveraged derivative transactions.

By order of the Board of Governors of the Federal Reserve System, effective this 24th day of February, 1999.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM



Hogi Patrick Hyun

By: 
Jennifer J. Johnson
Secretary of the Board