WHEREAS, from at least 2002 to 2007, The Bank of Tokyo-Mitsubishi UFJ, Ltd., ("BTMU") moved billions of dollars through New York for State and privately-owned entities in Iran;

WHEREAS, from at least 2002 to 2007, BTMU engaged in a practice under which BTMU’s employees in Tokyo routed U.S. dollar payments through New York after first removing information from wire transfer messages that could be used to identify the involvement of sanctioned parties;

WHEREAS, BTMU established written operational instructions for its employees in Tokyo, which, translated from Japanese into English read, “...in case of a P/O addressed to the U.S., attention should be paid in order to avoid freezing of funds, e.g., the ‘ORDERING BANK’ field should be filled in with the name of [BTMU], while the entry of the name of the final receiving bank (in an enemy country) and the particulars of remittance should be omitted”;
WHEREAS, using these means and other non-transparent means, from 2002 through 2007, BTMU estimates that it cleared approximately 28,000 U.S. dollar payments through New York worth close to $100 billion involving Iran, and additional payments involving Sudan and Myanmar, and certain entities on the Specially Designated Nationals list issued by the U.S. Treasury Department’s Office of Foreign Asset Control ("OFAC");\(^1\)

WHEREAS, after learning of these practices (described above) in 2007 and conducting an internal review of these practices, BTMU reported its findings to the U.S. authorities, and has represented that it has ceased such practices and undertaken remediation efforts;

NOW THEREFORE, the Department of Financial Services (the “Department”) and BTMU (the “Parties”) are willing to resolve the matters cited herein as follows:

**SETTLEMENT PROVISIONS**

**Monetary Payment:**

1. BTMU will pay a civil monetary payment to the Department pursuant to Banking Law § 44 and 44-A in the amount of two hundred and fifty million U.S. dollars ($250,000,000). BTMU will pay the entire amount of $250,000,000 within ten (10) days of executing the Consent Order.

**Compliance Review:**

2. Within thirty (30) days of executing the Consent Order, BTMU will identify an independent consultant acceptable to the Department who will report directly to the Department to conduct a comprehensive review (the “Compliance Review”) of the BSA/AML related sanctions compliance programs, policies, and procedures now in place at the Bank’s New York

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\(^1\) During this time period, Iran, Sudan and Myanmar were subject to U.S. economic sanctions.
Branch (the “New York Program”). The Consultant will have authority, to the extent legally permissible, to examine and assess the Bank’s existing BSA/AML operations that are performed outside the United States on behalf of the Bank’s New York Branch. Based on the Compliance Review, the Consultant will identify needed corrective measures to address identified flaws, weaknesses or other deficiencies in the New York Program, and oversee their implementation. The Consultant will also examine and assess the Bank’s New York Branch’s compliance with those corrective measures.

3. BTMU agrees to cooperate fully with the Consultant by, including but not limited to, providing the Consultant access to all relevant personnel and records to the extent legally permissible. The term of the Consultant will extend for one year from the date of formal engagement. Any dispute as to the scope of the Consultant’s authority will be resolved by the Department in the exercise of its sole discretion after appropriate consultation with BTMU and/or the Consultant.

4. Within thirty (30) days of executing the Consent Order, BTMU will submit to the Department for approval the proposed terms of the Consultant’s engagement (“Engagement Letter”).

5. Within ninety (90) days of BTMU’s receipt of the Department’s written approval of such terms, the Consultant will submit to the Parties a written report of findings, including proposed corrective measures from the Compliance Review (the “Compliance Review Report”). Thereafter, the Consultant will submit written progress reports (“Progress Reports”) to the Parties.
Compliance Programs:

6. Within sixty (60) days of the receipt of the Compliance Review Report, BTMU will submit to the Department for approval a written plan that is designed to improve and enhance the current New York Program, incorporating the Compliance Review Report (the “Action Plan”). The Action Plan will provide for enhanced internal controls and updates and/or revisions to current policies, procedures and processes of the New York Branch in order to ensure full compliance with all applicable provisions of the BSA, the rules and regulations issued thereunder, OFAC requirements and the requirements of the Consent Order. Upon receipt of written approval by the Department, BTMU will begin to implement the changes.

Management Oversight:

7. Within sixty (60) days following the receipt of the Compliance Review Report, BTMU is to submit to the Department for approval a written plan to improve and enhance management oversight of BTMU NY’s program (“Management Oversight Plan”). The Management Oversight Plan will address all relevant matters identified in the Compliance Review Report, provide a sustainable management oversight framework, and will take effect within thirty (30) days of receipt of written approval.

Breach of the Consent Order:

8. In the event that the Department believes BTMU to be materially in breach of the Consent Order (“Breach”), the Department will provide written notice to BTMU of the Breach and BTMU must, within ten (10) business days from the date of receipt of said notice, or on a later date if so determined in the sole discretion of the Department, appear before the Department to demonstrate that no Breach has occurred or, to the extent pertinent, that the Breach is not material or has been cured.
9. The Parties understand and agree that BTMU’s failure to make the required
demonstration within the specified period is presumptive evidence of BTMU’s Breach. Upon a
finding of Breach, the Department has all the remedies available to it under the New York
Banking and Financial Services Laws and may use any and all evidence available to the
Department for all ensuing hearings, notices, orders and other remedies that may be available
under the Banking and Financial Services Laws.

Waiver of Rights:

10. The Parties further understand and agree that no provision of the Consent Order is
subject to review in any court or tribunal outside the Department.

Parties Bound By the Consent Order:

11. It is further understood that the Consent Order is binding on the Department and
BTMU, as well as their successors and assigns that are within the supervision of the Department,
but it specifically does not bind any federal or other state agencies or any law enforcement
authorities.

12. This Consent Order resolves all matters before the Department relating to the
conduct set forth in the Consent Order or disclosed to the Department in connection with this
matter, provided that BTMU complies with the terms of the Consent Order. The Consent Order
does not apply to conduct that BTMU did not disclose to the Department in connection with this
matter.

13. During the period in which the Consent Order remains in effect, the approved
Program, Plans, and Engagement Letter as referenced herein will not be amended or rescinded
without the prior written approval of the Department, other than amendments necessary to
comply with applicable laws and regulations.
14. Within ten (10) days after the end of each quarter following the execution of the Consent Order, BTMU will submit to the Department written progress reports detailing the form and manner of all actions taken to secure compliance with the provisions of the Consent Order and the results thereof. BTMU’s responses to any audit reports covering BSA/AML matters prepared by internal and external auditors will be included with the progress report. The Department may, in writing, and in its discretion, discontinue the requirement for progress reports or modify the reporting schedule.

Notices:

15. All communications regarding this order shall be sent to:

Gaurav Vasisht  
Executive Deputy Superintendent  
Banking Division  
New York State Department of Financial Services  
One State Street  
New York, NY 10004

Eiji Sumi  
General Manager  
Compliance & Legal Division  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
2-7-1 Marunouchi, Chiyoda-ku  
Tokyo, 100-8330, Japan

Irwin Nack  
Chief Compliance Officer & General Manager  
Compliance Division for the Americas  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
Headquarters for the Americas  
1251 Avenue of the Americas  
New York, NY 10020-1104

Miscellaneous:

16. Each provision of the Consent Order will remain effective and enforceable until stayed, modified, terminated or suspended in writing by the Department.
17. No promise, assurance, representation, or understanding other than those contained in the Consent Order has been made to induce any party to agree to the provisions of the Consent Order.

IN WITNESS WHEREOF, the parties hereto have caused this Consent Order to be executed as of this 19th day of June, 2013.

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.
By: Nobuyuki Hirano
President

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES
By: Benjamin M. Lawsky
Superintendent

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.
By: Katsumi Hatao
Chief Executive
Headquarters for the Americas
17. No promise, assurance, representation, or understanding other than those contained in the Consent Order has been made to induce any party to agree to the provisions of the Consent Order.

IN WITNESS WHEREOF, the parties hereto have caused this Consent Order to be executed as of this 19th day of June, 2013.

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: ____________________________
Nobuyuki Hirano
President

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: ____________________________
Katsuki Hatao
Chief Executive
Headquarters for the Americas

NEW YORK STATE
DEPARTMENT OF FINANCIAL SERVICES

By: ____________________________
Benjamin M. Lawsky
Superintendent