



Joint Press Release

Board of Governors of the Federal Reserve System
Financial Crimes Enforcement Network
Office of Foreign Assets Control
New York State Banking Department
Illinois Department of Financial and Professional Regulation

For Release at 4 p.m. EST

December 19, 2005

Bank supervisory and penalty actions released Monday will require ABN AMRO Bank, N.V. to undertake remedial action in its worldwide banking operations and to pay \$80 million in penalties to U.S. federal and state regulators.

The Board of Governors of the Federal Reserve System, the New York State Banking Department, and the Illinois Department of Financial and Professional Regulation announced the issuance, together with De Nederlandsche Bank N.V. (the regulator of Dutch banks), of a consent Cease and Desist Order against ABN AMRO and its branches in New York, New York and Chicago, Illinois.

The Order requires ABN AMRO to make improvements to its global compliance and risk management systems to ensure adequate oversight, effective risk management, and full compliance with applicable U.S. laws and regulations. The Order incorporates and largely supersedes the July 23, 2004 Written Agreement among ABN AMRO, its New York branch, the Federal Reserve Bank of New York, the Federal Reserve Bank of Chicago, the New York State Banking Department, and the Illinois Department of Financial and Professional Regulation.

In addition, the Federal Reserve Board, the Financial Crimes Enforcement Network, the New York State Banking Department, the Illinois Department of Financial and Professional Regulation, and the Treasury Department's Office of Foreign Assets Control (OFAC) announced the assessment of penalties against ABN AMRO. The agencies have assessed penalties based on findings of unsafe and unsound practices; on findings of systemic defects in ABN AMRO's internal controls to ensure compliance with U.S. anti-money laundering laws and regulations, which resulted in failures to identify, analyze, and report suspicious activity; and on findings that ABN AMRO participated in transactions that violated U.S. sanctions laws. ABN AMRO is also required to take ongoing measures to ensure compliance with U.S. sanctions laws.

The Federal Reserve Board and OFAC have assessed a penalty in the amount of \$40 million, payment of which will satisfy the penalty concurrently assessed by the Financial Crimes Enforcement Network in the amount of \$30 million.

In addition, the New York State Banking Department has assessed a monetary payment of \$20 million, the Illinois Department of Financial and Professional Regulation has assessed a monetary payment of \$15 million, and ABN AMRO will make an additional \$5 million voluntary payment to the Illinois Bank Examiners' Education Foundation.

Copies of the agencies' enforcement actions are attached.

[Order to cease and desist \(952 KB PDF\)](#)

[Order of assessment of a civil money penalty \(670 KB PDF\)](#)

[Financial Crimes Enforcement Network assessment of civil money penalty \(1.41 MB PDF\)](#)

[2005 Enforcement actions](#)

[Home](#) | [News and events](#)

[Accessibility](#)

Last update: December 19, 2005