Exhibit A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
CASE NO.: 20-CV-00851-LTS-KNF

SUCESORES DE DON CARLOS NUÑEZ Y DOÑA PURA GALVEZ, INC.; MYRIAM E. NUÑEZ, as Personal Representative and Executor of the ESTATE OF NESTOR FRANCISCO NUÑEZ GALVEZ; EILEEN DOMINGUEZ, as Personal Representative and Executor of the ESTATE OF BLANCA NUÑEZ; GLORIA TORRALBAS NUÑEZ; GLORIA PILAR MOLINA, as Personal Representative and Administrator of the ESTATE OF THOMAS TORRALBAS NUÑEZ; PURA AMERICA OCHOA NUÑEZ; NORKA CABANAS NUÑEZ; CARLOS CABANAS NUÑEZ; SILVIA NUÑEZ TARAFA; CARLOS NUÑEZ TARAFA; LOURDES NUÑEZ, as Personal Representative and Administrator of the ESTATE OF ALEJANDRO NUÑEZ TARAFA; CARLOS ARSENIO NUÑEZ RIVERO, as Personal Representative and Executor of the ESTATE OF CARIDAD MARIA RIVERO CABALLERO; and CARLOS ARSENIO NUÑEZ RIVERO,

Plaintiffs,

JURY DEMAND

vs.

SOCIÉTÉ GÉNÉRALE, S.A., and BNP PARIBAS, S.A.,

Defendants.

SECOND AMENDED COMPLAINT

Plaintiffs Sucesores de Don Carlos Nuñez y Doña Pura Galvez, Inc. ("Sucesores"); Myriam E. Nuñez, as Personal Representative and Executor of the Estate of Nestor Francisco

Nuñez Galvez; Eileen Dominguez, as Personal Representative and Executor of the Estate of Blanca Nuñez; Gloria Torralbas Nuñez; Gloria Pilar Molina, as Personal Representative and Administrator of the Estate of Thomas Torralbas Nuñez; Pura America Ochoa Nuñez; Norka Cabanas Nuñez; Carlos Cabanas Nuñez; Silvia Nuñez Tarafa; Carlos Nuñez Tarafa; Lourdes Nuñez, as Personal Representative and Administrator of the Estate of Alejandro Nuñez Tarafa; Carlos Arsenio Nuñez Rivero, as Personal Representative and Executor of the Estate of Caridad Maria Rivero Caballero; and Carlos Arsenio Nuñez Rivero (collectively, "Plaintiffs"), for their complaint against Société Générale, S.A. ("SocGen") and BNP Paribas, S.A. ("Paribas") (collectively, "Defendants"), for violations of the Cuban Liberty and Democratic Solidarity Act, 22 U.S.C. § 6021, *et seq.* ("Helms-Burton"), state:

INTRODUCTION

1. This is an action for damages arising from the confiscation of property by the Cuban Government against two banks that trafficked in that property in violation of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act, Pub. L. 104-114, 110 Stat. 785, 22 U.S.C. §§ 6021-6091, commonly known as the Helms-Burton Act.

2. Before Fidel Castro came to power, Banco Nuñez was a flourishing enterprise owned by Carlos and Pura Nuñez (the "Founders"). Founded in 1921, Banco Nuñez grew to become the second largest Cuban-owned bank on the island in terms of assets and equity.[1] The Cuban Government confiscated Banco Nuñez on October 14, 1960, and consolidated it into the state-controlled Banco Nacional de Cuba ("BNC"). About 10% of BNC's equity was derived

[1] *See* December 31, 1958, *Esta Era la Banca de Cuba a la Llegada del Comunismo*, attached hereto as **Exhibit 1**. From 1948 to 1958, the Cuban peso traded at par with the United States dollar. *See* Armando M. Lago & José Alonso, *A First Approximation Model of Money, Prices and Exchange Rates in Revolutionary Cuba*, Association for the Study of the Cuban Economy (Nov. 30, 1995), https://www.ascecuba.org/asce_proceedings/a-first-approximation-model-of-money-prices-and-exchange-rates-in-revolutionary-cuba/.

from property confiscated from Banco Nuñez. Before confiscation, Banco Nuñez controlled $105.1 million in assets, including $51.5 million in loans. It had a book value in excess of $7.8 million and a significantly higher fair market value. Despite confiscating their bank, the Cuban Government never compensated the Founders.

3. In 1961, shortly after their bank was confiscated, the Founders fled Cuba for the United States to escape the extrajudicial killings, unjustified imprisonment, and cruelty that would come to embody Castro's reign. Pura Nuñez died in 1969, leaving her entire interest in Banco Nuñez to her heirs. Carlos became a United States citizen before his death in 1979. Twelve of Carlos' heirs likewise became citizens by birth or by naturalization. For the sole purpose of consolidating and asserting interests in Banco Nuñez, the Founders' heirs formed and transferred interests in Banco Nuñez to Sucesores, a Florida corporation.

4. In 1996, Congress observed that the Cuban Government was seeking to raise "hard currency" by "offering foreign investors" opportunities to enter into ventures that benefited from the use of property confiscated by the Cuban Government. It passed the Helms-Burton Act to deter such " 'trafficking' in confiscated property" by creating a private right of action. That statute allows United States nationals to bring an action against anyone who intentionally traffics in property confiscated by the Cuban Government. Starting in 2000 at the latest—four years after the adoption of Helms-Burton—SocGen and Paribas began trafficking in property known to be confiscated by the Cuban Government. That property included the Nuñez heirs' share of the new conglomerated BNC. SocGen and Paribas together earned more than $1 billion in profit from that trafficking, conducting the transactions through their New York branches in this District.

5. On June 10, 2019, and February 19, 2020, Plaintiffs sent notices to SocGen and Paribas, respectively, demanding that they immediately cease trafficking in Plaintiffs' property. Plaintiffs now seek damages and attorneys' fees as provided under Helms-Burton based on Defendants' violations of the Act.

PARTIES AND RELEVANT NONPARTIES

6. Plaintiff Sucesores de Don Carlos Nuñez y Doña Pura Galvez, Inc. is a Florida corporation that holds interests in Banco Nuñez confiscated by the Cuban Government. Sucesores was created in 1996 to consolidate the heirs' interests in Banco Nuñez and create a single vehicle for asserting the heirs' claims under Helms-Burton. That is Sucesores' sole purpose; it conducts no other business.

7. Plaintiff Myriam E. Nuñez is the Personal Representative and Executor of the Estate of Nestor Francisco Nuñez Galvez. Nestor Francisco Nuñez Galvez is the deceased son of the Founders. He inherited an interest in Banco Nuñez from his parents before, and held that interest on, March 12, 1996. He had been a United States citizen at least since March 12, 1996.

8. Plaintiff Eileen Dominguez is the Personal Representative and Executor of the Estate of Blanca Nuñez. Blanca Nuñez is the deceased daughter of the Founders. She inherited an interest in Banco Nuñez from her parents before, and held that interest on, March 12, 1996. She had been a United States citizen at least since March 12, 1996.

9. Plaintiff Gloria Torralbas Nuñez is the granddaughter of the Founders. She inherited an interest in Banco Nuñez from her grandparents before, and held that interest on, March 12, 1996. She has been a United States citizen at least since March 12, 1996.

10. Plaintiff Gloria Pilar Molina is the Personal Representative and Administrator of the Estate of Thomas Torralbas Nuñez. Thomas Torralbas Nuñez is the deceased grandson of

the Founders. He inherited an interest in Banco Nuñez from his grandparents before, and held that interest on, March 12, 1996. He had been a United States citizen at least since March 12, 1996.

11. Plaintiff Pura America Ochoa Nuñez is the granddaughter of the Founders. She inherited an interest in Banco Nuñez from her grandparents before, and held that interest on, March 12, 1996. She has been a United States citizen at least since March 12, 1996.

12. Plaintiff Norka Cabanas Nuñez is the granddaughter of the Founders. She inherited an interest in Banco Nuñez from her grandparents before, and held that interest on, March 12, 1996. She has been a United States citizen at least since March 12, 1996.

13. Plaintiff Carlos Cabanas Nuñez is the grandson of the Founders. He inherited an interest in Banco Nuñez from his grandparents before, and held that interest on, March 12, 1996. He has been a United States citizen at least since March 12, 1996.

14. Plaintiff Silvia Nuñez Tarafa is the granddaughter of the Founders. She inherited an interest in Banco Nuñez from her grandparents before, and held that interest on, March 12, 1996. She has been a United States citizen at least since March 12, 1996.

15. Plaintiff Carlos Nuñez Tarafa is the grandson of the Founders. He inherited an interest in Banco Nuñez from his grandparents before, and held that interest on, March 12, 1996. He has been a United States citizen at least since March 12, 1996.

16. Lourdes Nuñez is the Personal Representative and Administrator of the Estate of Alejandro Nuñez Tarafa. Alejandro Nuñez Tarafa is the deceased grandson of the Founders. He inherited an interest in Banco Nuñez from his grandparents before, and held that interest on, March 12, 1996. He had been a United States citizen at least since March 12, 1996.

17. Carlos Arsenio Nuñez Rivero is the Personal Representative and Executor of the Estate of Caridad Maria Rivero Caballero. Caridad Maria Rivero Caballero is the deceased second wife of Founder Carlos Nuñez. She inherited an interest in Banco Nuñez from her husband before, and held that interest on, March 12, 1996. She had been a United States citizen at least since March 12, 1996.

18. Plaintiff Carlos Arsenio Nuñez Rivero is the son of Founder Carlos Nuñez. He inherited an interest in Banco Nuñez from his father before, and held that interest on, March 12, 1996. He had been a United States citizen at least since March 12, 1996.

19. Myriam E. Nuñez, as Personal Representative and Executor of the Estate of Nestor Francisco Nuñez Galvez; Eileen Dominguez, as Personal Representative and Executor of the Estate of Blanca Nuñez; Gloria Torralbas Nuñez; Gloria Pilar Molina, as Personal Representative and Administrator of the Estate of Thomas Torralbas Nuñez; Pura America Ochoa Nuñez; Norka Cabanas Nuñez; Carlos Cabanas Nuñez; Silvia Nuñez Tarafa; Carlos Nuñez Tarafa; Lourdes Nuñez, as Personal Representative and Administrator of the Estate of Alejandro Nuñez Tarafa; Carlos Arsenio Nuñez Rivero, as Personal Representative and Executor of the Estate of Caridad Maria Rivero Caballero; and Carlos Arsenio Nuñez Rivero are collectively referred to as the "Individual Heirs." Through a Stockholders Agreement, the Individual Heirs assigned all interests bequeathed to them in Carlos' will to Sucesores for the sole purpose of consolidating their interests in Banco Nuñez.

20. Defendant Société Générale, S.A., is a French multinational bank and financial services company headquartered in Paris, France, with substantial business operations in New York, New York.

21. Defendant BNP Paribas, S.A., is a French multinational bank and financial services company headquartered in Paris, France, with substantial business operations in New York, New York.

22. The Republic of Cuba, a nonparty to this case, is a sovereign state composed of the island of Cuba, as well as Isla de la Juventud and several minor archipelagos.

23. Non-party Banco Nacional de Cuba ("BNC") is part of the Cuban Government. After nationalization of Cuba's banking system in 1960, BNC operated as the island's sole banking institution and regulator of all foreign payments. Today, BNC continues to function "as a commercial bank." It also serves as regulator of "external debt" that the Cuban State and BNC "have contracted with foreign creditors" and that is backed by "the guarantee of the [Cuban] State."

<u>JURISDICTION AND VENUE</u>

24. Sucesores is a Florida corporation and a United States national located at 9700 NW 79th Avenue, Hialeah Gardens, Florida 33016.

25. Defendant Société Générale, S.A., is a multinational bank headquartered at 29 Blvd. Haussman, 9th Arrondissement, Paris, France. SocGen conducts banking business in New York through its branch located at 245 Park Avenue, New York, New York 10029, through which it has maintained credit facilities that have cleared a substantial number of payments on behalf of BNC.[2] Plaintiffs' claim arises out of those transactions. For purposes of these proceedings, SocGen has consented to specific personal jurisdiction in the Southern District of New York.[3] Defendant BNP Paribas, S.A., is a multinational bank headquartered at 16 Blvd. des Italiens, Paris, France. Paribas purposefully availed itself of the privilege of doing business in

[2] *See* ECF No. 29-2.
[3] *See* ECF No. 41, p. 8; ECF No. 42, ¶¶2-3.

this forum by maintaining a branch in this District at 787 7th Avenue, New York, New York 10019. Paribas has maintained credit facilities and routed wire transfers for BNC's benefit through its New York branch. Plaintiffs' claim arises out of those transactions involving Paribas' New York branch.[4] Paribas has been present in the United States since the late 1800s, and continues to maintain a substantial presence, employing more than 16,000 people in North America. This Court has subject-matter jurisdiction over this matter under 28 U.S.C. § 1331. Plaintiffs bring a civil action that arises under federal law, 22 U.S.C. § 6082.

26. Venue is proper in the Southern District of New York under 28 U.S.C. § 1391(b)(1) because Defendants reside or are deemed to reside in the Southern District of New York under 28 U.S.C. §§ 1391(c) and (d). Venue is also proper under 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claim occurred in this District, including each Defendant's use of its respective New York branch to maintain credit facilities or process wires for the benefit of BNC. Alternatively, venue is proper under 28 U.S.C. § 1391(b)(3) because Defendants are subject to personal jurisdiction in this District with respect to this action.

FACTUAL ALLEGATIONS

I. Cuba Nationalizes Banco Nuñez and Other Banks

27. Carlos and Pura Nuñez founded Banco Nuñez in 1921. The Founders, the sole owners of Banco Nuñez, grew the bank into a twenty-two branch banking operation with a physical presence in five of Cuba's six provinces. On December 31, 1958, the day before Fidel Castro seized power, Banco Nuñez was the second largest Cuban-owned bank on the island.

[4] *See* Paribas Guilty Plea, Statement of Facts ¶ 53, attached hereto **Exhibit 2** (hereafter "Paribas Guilty Plea").

Banco Nuñez controlled $105.1 million in assets, including $51.5 million in loans, and had equity of $7.8 million.[5]

28. After Castro seized power, the Cuban Government began nationalizing every bank on the island – including foreign banking institutions – and absorbing those banks into the state-controlled entity Banco Nacional de Cuba ("BNC"). On October 14, 1960, Cuba confiscated and nationalized all remaining Cuban-owned banks, including Banco Nuñez. Using that confiscated property, BNC began operating as Cuba's sole financial institution with responsibility for conducting or overseeing all monetary policy, commercial banking, borrowing, and lending in Cuba.

29. Cuba's confiscation of the banking industry was well known to the international banking community. The Castro Government passed multiple laws in 1960, including Cuban Law Nos. 851 and 891, declaring banking a public function in Cuba and ordering BNC to confiscate all national and international banks in Cuba. The foreign banks whose branches, businesses, and assets were handed over to BNC included household names like Chase and Citibank. As part of a broad response to the Cuban Government's actions, Congress authorized the Foreign Claims Settlement Commission of the United States – a quasi-judicial, independent agency within the Department of Justice which adjudicates claims against foreign governments – to consider claims relating to Cuba's confiscation of property. In public decisions, the Commission has granted relief for claims arising from the Cuban Government's nationalization and confiscation of banks.

30. At the time BNC absorbed Banco Nuñez, Banco Nuñez had a book value in excess of $7.8 million and a significantly higher fair market value. Banco Nuñez also had $9.9

[5] *See* n.1, *supra*.

million on deposit with BNC that was also confiscated. About 10% of BNC's equity was derived from property seized from Banco Nuñez.

31. The Founders received no compensation for the banking enterprise that the Cuban Government confiscated and merged into BNC. Nor did the Founders, any of their heirs, or Plaintiffs receive any compensation for BNC's use of Banco Nuñez and its assets over the next 60 years, to the present day. Plaintiffs' lawsuit seeks recovery for Defendants' trafficking in this confiscated property, without Plaintiffs' consent, as authorized under Helms-Burton.

II. The Founders Relocate to the United States

32. The Founders fled to the United States. Pura Nuñez died in 1969, and left her entire interest in Banco Nuñez to her children. Carlos remarried after Pura's death and became a naturalized United States citizen. Carlos died on October 31, 1979, leaving his entire interest in Banco Nuñez to his heirs.

33. Pura and Carlos had 12 living heirs who were United States citizens on March 12, 1996, and held an interest in Banco Nuñez: three children, Nestor Francisco Nuñez Galvez, Blanca Nuñez, and Carlos Arsenio Nuñez Rivero; eight grandchildren, Gloria Torralbas Nuñez, Thomas Torralbas Nuñez, Pura America Ochoa Nuñez, Norka Cabanas Nuñez, Carlos Cabanas Nuñez, Silvia Nuñez Tarafa, Carlos Nuñez Tarafa, and Alejandro Nuñez Tarafa; and Carlos' second wife, Caridad Maria Rivero Caballero.

34. In 1996, heirs of Pura and Carlos created Sucesores to consolidate their interests in Banco Nuñez and create a single vehicle for asserting claims under Helms-Burton. Through a Stockholders Agreement, dated May 24, 1997, and an Assignment of Interest, dated September 20, 2019, the heirs assigned all of the interests they inherited through Carlos' will to Sucesores. Each heir received a percentage of shares in Sucesores. Sucesores did not acquire its Helms-

Burton claim in a secondary market for claims.

35. Some shares in Sucesores were later transferred or bequeathed within the Nuñez family. No shares have ever been controlled by anyone other than an heir of Carlos and Pura Nuñez. Several of the heirs who created Sucesores continue to hold their original shares and have never transferred those shares to anyone else.

III. Congress Enacts the Economic Embargo of Cuba and Helms-Burton

36. After Castro's rise to power, the United States imposed almost a complete commercial, economic, and financial embargo against Cuba. The embargo prevented (among other things) financial institutions subject to the jurisdiction of the United States from conducting business with Cuban parties or property. The embargo significantly limited Cuba's ability to access international markets. In 1996, Congress sought to strengthen its embargo by adopting the Helms-Burton Act. At the time, Cuba was seeking to circumvent the embargo by using "confiscated" property to raise "badly needed" finances and expertise from "foreign investors."

37. "To deter" this "trafficking in wrongfully confiscated property," Helms-Burton provides United States nationals who were the victims of these confiscations "a judicial remedy in the courts of the United States" that "den[ies] traffickers any profits from economically exploiting Castro's wrongful seizures."

38. Title III of Helms-Burton provides that any person who traffics in property which was confiscated by the Cuban Government on or after January 1, 1959, shall be liable for monetary damages to the United States national who owns a claim to that property. "United States national" means any United States citizen or any other legal entity organized under the laws of the United States, or of any State. "Traffick[ing]" is defined broadly. It includes possessing, controlling, managing, using or holding an interest in confiscated property without

the owner's consent. It also includes "engag[ing]" in "commercial activity using or otherwise benefiting from confiscated property" without the owner's consent. Persons who "cause[ ]," "direct[ ]," "participate[ ] in," or "profit[ ] from" trafficking by another party without the owner's consent engage in trafficking as well.

IV. Defendants' Trafficking in Confiscated Property in Violation of Helms Burton

39. Both SocGen and Paribas violated Helms Burton through extensive, secret financial transactions with and through BNC. Their conduct came to light through government investigations and criminal proceedings brought by the United States Department of Justice. Paribas pleaded guilty to conspiracy to violate the International Economic Powers Act and the Trading with the Enemy Act. SocGen entered into a Deferred Prosecution Agreement ("DPA") after being charged with violating the Trading with the Enemy Act. Both the Paribas plea agreement and the SocGen DPA include extensive stipulated statements of facts in which Defendants admit to conduct that constitutes trafficking in violation of Helms Burton and indicates the existence of additional conduct that constitutes trafficking in violation of Helms Burton. That conduct includes engaging in commercial activity with BNC, which has included and benefitted from the wrongfully confiscated assets of Banco Nuñez since 1960.

A. SocGen's Trafficking

40. The U.S. economic embargo of Cuba restricts access to U.S. dollars important for transacting business in international markets. U.S. law restricts, for example, BNC's ability to use the U.S. financial system to conduct business in dollars—either to promote its own interests or to serve clients—by limiting U.S. banks' ability to process transactions involving BNC. For that reason, most "[f]inancial institutions in the United States that process U.S. dollar transactions from other countries utilize sophisticated filters designed to identify and block or

reject any transactions involving entities that have been sanctioned by [Office of Foreign Asset Control]," including BNC.[6] To evade those restrictions and avoid having critical transactions blocked, BNC obtained assistance from SocGen. As SocGen admitted in a deferred prosecution agreement, it unlawfully provided "a Cuban government bank" (*i.e.*, BNC) and other Cuban entities access to U.S. dollars and the U.S. financial system.

41. After obtaining a license to conduct "for-profit [banking] activities" in Cuba,[7] SocGen opened more than twenty credit facilities for or involving Cuban entities in U.S. dollars. Six of those facilities involved loans directly to BNC or "loans to a New Jersey-incorporated entity for subsequent transfer to" BNC.[8] Other facilities involved loans to finance a Cuban corporation's purchase of oil, to support the state-owned company that operates Cuba's airlines, and to finance the production and export of Cuban commodities.[9] For example, SocGen, working with another French bank, provided a $40 million revolving line of credit to finance the importation of crude oil from the Netherlands by Union CubaPetróleo (a Cuban government-owned corporation).[10] Those credit facilities allowed Cuban entities subject to sanctions to access U.S. dollars and transact business with foreign corporations that they otherwise would have been unable to do. On information and belief, BNC was involved in the SocGen credit facilities.

42. As part of maintaining the credit facilities, SocGen processed at least 2,500 transactions – valued at $13 billion – through New York financial institutions between 2004 and

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[6] SocGen Deferred Prosecution Agreement, Statement of Facts ¶ 11, attached hereto as **Exhibit 3** (hereafter "SocGen DPA").

[7] *See* Gaceta Oficial, December 11, 1995, Resolution Number 329 of 1995, attached hereto as **Exhibit 4**.

[8] SocGen DPA, Statement of Facts ¶ 23.

[9] *Id.* ¶¶ 21-23.

[10] *Id.* ¶¶ 22-23.

2010.[11] SocGen, however, concealed those transactions from U.S. regulators. For example, in January 2006, SocGen directed another bank to route payments for a Cuban credit facility through SocGen's New York branch "'without including any mention or reference to Cuba, any Cuban entity or to the Caribbean, either in the correspondence (electronic, paper or fax), the SWIFT messages or the fund transfer SWIFTS.'"[12] Similarly, in July 2002, SocGen described the measures it would take to conceal that the credit facilities were for Cuban entities:

> We are going to receive transfer orders in USD in favor of certain suppliers in non-Cuban banks. In this case, the USD transfer must not in any case mention the name of the [the joint venture] or its country of origin, Cuba. The clearing will indeed be carried out in NY. I have explicitly asked [the joint venture] to write on its transfer request the instructions to be included.[13]

43. SocGen earned significant profits from operating the credit facilities. In a forfeiture proceeding, SocGen agreed to pay over $880 million in forfeited profits based on its illegal dealings with Cuban entities like BNC.[14]

44. SocGen's conduct constitutes trafficking in confiscated property under Helms-Burton. In violation of Helms-Burton, SocGen knowingly and intentionally "participate[d] in" and "profit[ed] from" BNC's trafficking in confiscated property. BNC knowingly and intentionally trafficked in confiscated property by "manag[ing], "possess[ing]," "obtain[ing] control of" or "otherwise acquir[ing] or hold[ing] an interest in" the banking enterprise confiscated from the Founders and "us[ing]" Banco Nuñez's property (including its banking infrastructure and equity) in its own banking operations. BNC also engaged in commercial banking that "use[d] or otherwise benefit[ed] from" that confiscated property. That BNC engaged in conduct constituting trafficking in confiscated property was well known to the

[11] *Id.* ¶12.
[12] *Id.* ¶36 (emphasis omitted).
[13] *Id.* ¶15 (emphasis omitted) (alterations original).
[14] *Id.* ¶3.

international banking community. SocGen nonetheless assisted BNC's banking activities. Acting as an intermediary, SocGen provided U.S. dollar credit facilities to BNC and other Cuban entities that BNC by itself could not provide or access.

45. SocGen also knowingly and intentionally "engage[d] in," "participate[d] in," and "profit[ed] from" "commercial activit[ies]" that "use[d] or otherwise benefit[ed]" from the confiscated property. SocGen extended multiple credit facilities to BNC. Those commercial activities "use[d]" property confiscated from Banco Nuñez. Those activities and SocGen also "benefit[ed] from" the confiscated property and BNC's trafficking in the confiscated property. About 10% of BNC's equity was derived from property confiscated from Banco Nuñez. That confiscated property made BNC a more stable, less risky, and more desirable counterparty than it otherwise would have been, potentially allowing for more substantial loans, more favorable terms, or greater profitability.

46. Neither the Founders nor any of their heirs nor Plaintiffs ever consented to BNC's and SocGen's trafficking in the confiscated property.

B. Paribas' Trafficking

47. Paribas trafficked in the confiscated property as well. Like SocGen, Paribas "conspired with numerous Cuban banks" to evade U.S. economic sanctions that restrict BNC's (and other sanctioned entities') access to U.S. dollars important to transacting in international markets.[15]

48. As admitted in its plea agreement, from at least 2000 to 2010, Paribas offered U.S. dollar financing to Cuban entities. Most of the financing was provided through eight credit

[15] *See* Paribas Guilty Plea, Statement of Facts ¶¶ 14, 49.

facilities operated with the involvement of Cuban banks.[16] Through those facilities, Paribas processed more than $1.747 billion in U.S. dollar-denominated transactions.[17] Paribas also opened U.S. dollar accounts with Cuban banks to permit them access to U.S. dollars.[18] On information and belief, one of the Cuban banks or Specially Designated Nationals sanctioned entities that Paribas assisted was BNC.

49. On information and belief, Paribas also participated with SocGen in operating at least one of the credit facilities described above. Paribas, like SocGen, participated in a credit facility to finance a Cuban entity's purchase of oil in U.S. dollars from the Netherlands.[19] As part of a "highly complicated" scheme to conceal that the transactions involved a Cuban entity, Paribas would make a number of bank-to-bank transfers.[20] One of the transfers was between a Paribas account set up at SocGen[21] and Paribas' own internal accounts.[22] "[T]ypically," the payments would be transferred through Paribas' New York branch.[23]

50. Paribas, too, went to great lengths to conceal its illicit activities with Cuba. For example, in an April 2000 credit application, Paribas acknowledged the "'risk linked to the American embargo' and explained that the risk had been 'resolved' through the use of a 'fronting' structure that layered the U.S. dollar transactions using accounts at a different French

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[16] *See id.* ¶52.
[17] *See id.* ¶49.
[18] *See id.* ¶65.
[19] *See id.* ¶¶52-53.
[20] *See id.* ¶53.
[21] SocGen is referred to as "French Bank 1" in the Paribas plea agreement. *See id.* Paribas, by contrast, appears to be "French Bank 1" in the SocGen DPA, *compare* SocGen DPA, Statement of Facts ¶22 (SocGen worked with "French Bank 1" on a credit facility to "finance" a "Dutch [c]ompany" in "import[ing] . . . crude oil into Cuba to be refined and sold" there) *with* Paribas Guilty Plea, Statement of Facts ¶52 (Paribas participated in a credit facility involving "loans to a Dutch company to finance the purchase of crude oil products to be refined in and sold to Cuba").
[22] *See* Paribas Guilty Plea, Statement of Facts ¶53.
[23] *See id.*

bank . . . and concealed the involvement of Cuban entities."[24] Similarly, in January 2006, a Paribas employee wrote: "'I think we need to point out to [French Bank 1] that they should not mention CUBA in their transfer order.'"[25] Another employee responded that French Bank 1 "'knows very well that Cuba or any other Cuban theme must not be mentioned in the transfer orders and I reminded them about this over the phone this morning.'"[26]

51. Paribas earned significant profits from its conduct, so much so that high-level managers dismissed "explicit concerns from compliance personnel" in pursuit of the profits.[27]

52. Paribas' conduct constitutes trafficking in confiscated property under Helms-Burton. In violation of Helms-Burton, Paribas knowingly and intentionally "participate[d] in" and "profit[ed] from" BNC's trafficking in confiscated property. BNC knowingly and intentionally trafficked in confiscated property by "manag[ing], "possess[ing]," "obtain[ing] control of" or "otherwise acquir[ing] or hold[ing] an interest in" the banking enterprise confiscated from the Founders and "us[ing]" Banco Nuñez's property (including its banking infrastructure and equity) in its own banking operations. BNC also engaged in commercial banking that "use[d] or otherwise benefit[ed] from" that confiscated property. That BNC engaged in conduct that constitutes trafficking in confiscated property was well known to the international banking community. Paribas nonetheless assisted BNC's banking activities. Acting as an intermediary, Paribas provided U.S. dollar credit facilities to BNC and other Cuban entities that BNC by itself could not provide or access.

53. Paribas also knowingly and intentionally "engage[d] in," "participate[d] in," and "profit[ed] from" "commercial activit[ies]" that "use[d] or otherwise benefit[ed]" from the

[24] *See id.* ¶¶53-54.
[25] *See id.* ¶54 (alteration in original).
[26] *Id.*
[27] *Id.* ¶51.

confiscated property. Paribas extended multiple credit facilities to BNC. Those commercial activities "use[d]" property confiscated from Banco Nuñez. Those activities and Paribas also "benefit[ed] from" the confiscated property and BNC's trafficking in the confiscated property. About 10% of BNC's equity was derived from property confiscated from Banco Nuñez. That confiscated property made BNC a more stable, less risky, and more desirable counterparty than it otherwise would have been, potentially allowing for more substantial loans, more favorable terms, or greater profitability.

54. Neither the Founders nor their heirs nor Plaintiffs ever consented to BNC's and Paribas' trafficking in the confiscated property.

ALLEGATIONS AS TO DAMAGES

55. Helms-Burton provides statutory measures of compensatory and treble damages that Plaintiffs demand in these proceedings, along with attorneys' fees and costs.

56. Plaintiffs are entitled to compensatory damages equaling the fair market value of Plaintiffs' property. That valuation is either the current value of the property or the value of the property when confiscated in 1960, plus interest, whichever is greater.

57. Treble damages are also warranted. Pursuant to 22 U.S.C. § 6082(a)(3)(D), Sucesores, a non-certified claimholder – on behalf of the holders of interests in Banco Nuñez – notified SocGen and Paribas by certified mail that they were trafficking in confiscated property and demanded that they cease. Sucesores also stated its intent to commence an action under Title III of Helms-Burton or, in the case of Paribas, that it intended to join Paribas as a Defendant to this action. The correspondence contained the statutory summary statement required by 22 U.S.C. § 6082(a)(3)(D)(iii)(III).

58. SocGen received the demand letter on June 10, 2019. Paribas received the demand letter on February 19, 2020. Neither Defendant responded to deny that they are continuing to traffic in Plaintiffs' property or otherwise maintaining the credit facilities.

59. SocGen and Paribas continue to traffic in Plaintiffs' property in substantially the same manner as described above. Both Defendants continue to operate similar credit facilities to the ones described above, except those facilities exclude U.S.-dollar transactions to avoid U.S. law. In the 2000s, SocGen and Paribas began to transition a number of the credit facilities described above from using U.S. dollars to using other currencies.[28] Neither Defendant represented that it would cease operating those facilities or trafficking in confiscated property in response to the demand letters.

60. Treble damages against the Defendants are warranted.

TOLLING OR NON-ACCRUAL OF STATUTE OF LIMITATIONS

61. Each President of the United States suspended the right to sue under Helms-Burton from when it would have taken effect on August 1, 1996, through May 2, 2019, when the current administration lifted that suspension. To the extent that Plaintiffs' claim accrued against SocGen and Paribas during that suspension period, the Defendants' liability "can't be extinguished subsequently."[29] The President lifted the "suspension period" on May 2, 2019, and Sucesores promptly brought suit and the Individual Heirs joined thereafter.

62. For years, SocGen and Paribas knowingly and intentionally profited by trafficking in Plaintiff's confiscated property, actively concealing their actions to prevent discovery by U.S. regulators.

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[28] *See* SocGen DPA, Statement of Facts ¶33; Paribas Guilty Plea, Statement of Facts ¶66.
[28] *See* Office of the Press Secretary, Briefing on Helms-Burton Title III Suspension 7/16/96, 1996 WL 396125, at *5 (July 16, 1996).

63. Finally, Defendants' trafficking is ongoing. Defendants continue to operate credit facilities as described above, using currencies other than the U.S. dollar.

COUNT I
Liability to Sucesores for Trafficking Pursuant to Helms-Burton
(Against Both Defendants)

Plaintiff re-alleges and incorporates paragraphs 1-63, above as if fully set forth herein.

64. Sucesores holds interests in Banco Nuñez. Accordingly, Sucesores respectfully requests that the Court: (1) enter a judgment against the Defendants for monetary damages in accordance with § 6082(a), including (a) the greater of the current value of the property or the fair market value of the property when confiscated plus interest, and (b) treble damages; (2) award attorneys' fees and costs in accordance with § 6082(a)(1)(A)(ii); and (3) for any further relief deemed appropriate by this Court.

COUNT II
Liability to Individual Heirs for Trafficking Pursuant to Helms-Burton
(Against Both Defendants)

Individual Heirs re-allege and incorporate paragraphs 1-63, above as if fully set forth herein.

65. To the extent that Sucesores cannot bring the Individual Heirs' Helms-Burton claims, Sucesores' purpose is frustrated and the Stockholders Agreement is void *ab initio*. All parties to the Stockholders Agreement assigned interests to Sucesores on the mutual, essential, and reasonable understanding that Sucesores would be legally permitted to vindicate those interests – and they would not have entered into the agreement otherwise. To the extent that Sucesores does not hold all interests in Banco Nuñez, the Individual Heirs hold those interests.

66. Accordingly, the Individual Heirs respectfully request that the Court: (1) enter a judgment against the Defendants for monetary damages in accordance with § 6082(a), including

(a) the greater of the current value of the property or the fair market value of the property when confiscated plus interest, and (b) treble damages; (2) award attorneys' fees and costs in accordance with § 6082(a)(1)(A)(ii); and (3) for any further relief deemed appropriate by this Court.

DEMAND FOR JURY TRIAL

Plaintiffs request a jury trial for any and all Counts for which a trial by jury is permitted by law.

Dated: September 11, 2020.

New York, New York

Respectfully submitted,

/s/ Steven F. Molo

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Dwayne A. Robinson, Esq.
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Exhibit 1

Esta Era la Banca de Cuba a la Llegada del Comunismo

Diciembre 31, 1958

Bancos Nacionales

Bancos	Activos	Préstamos	Depósitos	Capital y Reservas
1. The Trust Co. of Cuba	231,192,916	82,652,146	215,333,458	12,410,053
2. Banco Núñez	105,072,054	51,451,899	86,402,019	7,902,020
3. Banco Continental	100,065,100	49,287,449	92,179,116	3,639,483
4. Banco Agrícola e Industrial	58,011,585	25,874,854	45,755,448	4,000,000
5. Banco Gelats	56,881,888	22,518,955	43,407,378	5,724,911
6. Banco de los Colonos	30,631,178	17,171,384	26,736,861	2,643,000
7. Banco Pujol	25,073,065	10,143,714	23,628,081	1,014,759
8. Banco Pedroso	17,399,483	9,329,355	15,967,475	1,255,382
9. Banco Godoy Sayán	16,455,851	4,709,596	15,137,838	801,670
10. Industrial Bank	15,484,975	6,256,542	13,889,931	799,468
11. Banco Garrigó	13,330,891	7,885,287	12,119,354	1,552,930
12. Banco Financiero	13,147,883	7,715,225	12,697,668	1,284,923
13. Banco Hispano Cubano	12,708,817	6,197,643	10,435,556	870,532
14. Banco de la Construcción	9,291,820	4,902,691	7,992,351	1,252,407
15. Banco Agrícola y Mercantil	9,253,256	4,242,049	8,099,117	602,587
16. Banco González y Hno.	7,048,884	2,655,608	6,217,104	510,765
17. Banco Hipotecario Mendoza	5,884,118	3,127,632	5,213,424	542,697
18. Banco Franco Cubano	5,435,976	2,620,797	4,855,329	228,200
19. Banco Asturiano de Ahorros	4,744,137	2,685,570	3,954,841	778,537
20. Banco Crédito e Inversiones	2,312,767	79,745	1,109,735	1,199,384
Totales	724,576,964	331,668,431	645,011,239	50,908,668

Bancos Extranjeros

1. Royal Bank of Canada	151,821,274	72,350,029	142,741,738	7,481,331
2. National City Bank	104,055,722	57,541,223	96,527,177	4,700,140
3. Firt National Bank of Boston	78,302,659	38,423,875	70,836,221	3,165,000
4. Bank of Nova Scotia	56,603,856	21,028,297	52,782,720	2,701,644
5. Chase Manhattan Bank	54,750,534	25,715,154	50,378,709	4,000,000
6. Banco de China	11,788,265	4,876,014	11,129,790	397,896
Totales	457,322,324	220,935,906	424,396,354	23,234,011
GRAN TOTAL	1,182,259,288	552,603,438	1,069,407,593	74,224,619

This was the Banking System of Cuba when Communism Arrived

December 31, 1958

Domestic Banks

Banks	Assets	Loans	Deposits	Capital and Reserves
1. The Trust Co. of Cuba	231,292,918	92,652,146	215,333,438	12,410,053
2. Banco Nuñez	105,072,054	51,451,899	88,402,019	7,802,020
3. Banco Continental	100,685,108	49,287,449	92,179,116	3,639,483
4. Banco Agrícola e Industrial	50,611,585	25,674,604	45,755,448	4,686,000
5. Banco Gelats	50,081,688	23,518,955	43,407,378	5,724,911
6. Banco de los Colonos	26,631,778	17,171,384	20,736,801	3,643,000
7. Banco Pujol	25,073,493	10,143,714	23,028,021	1,014,759
8. Banco Pedroso	17,399,493	9,329,355	15,967,475	1,255,382
9. Banco Godoy Sayán	16,055,657	4,700,596	15,137,938	801,670
10. Industrial Bank	15,484,975	6,326,542	12,889,931	790,488
11. Banco Garrigó	15,330,891	7,885,327	13,110,554	1,552,930
12. Banco Financiero	15,147,883	7,715,325	12,057,660	1,264,923
13. Banco Hispano Cubano	12,708,817	6,197,643	10,435,550	878,832
14. Banco de la Construcción	9,291,820	4,802,691	7,392,351	1,252,407
15. Banco Agrícola y Mercantil	9,263,280	4,242,049	8,099,117	602,587
16. Banco González y Hno.	7,048,884	2,685,608	6,217,164	510,785
17. Banco Hipotecario Mendoza	5,804,110	3,117,632	5,213.424	542,497
18. Banco Franco Cubano	5,435,976	2,626,797	4,685,328	726,200
19. Banco Asturiano de Ahorros	4,744,157	2,685.570	3,854,845	778,837
20. Banco Crédito e Inversiones	2,312,767	79,745	1,109,735	1,198,284
Totals	724,876,964	331,688,431	645,011,239	50,990,008

Foreign Banks

1. Royal Bank of Canada	151,821,274	72,350,629	142,741,738	7,481,831
2. National City Bank	104,055,722	57,541,323	96,527,177	4,708,140
3. Fir[s]t National Bank of Boston	78,302,659	39,423,679	70,835,221	3,745,000
4. Bank of Nova Scotia	56,683,930	21,028,207	52,782,720	2,701,644
5. Chase Manhattan Bank	54,759,534	25,715,154	59,378,708	4,000,000
6. Bank of China	11,788,205	4,876,014	11,129,790	597,996
Totals	457,882,324	220,935,605	424,396,354	23,234,611
GRAND TOTAL	1,182,259,288	552,683,439	1,069,407,593	74,224,619

TRANSPERFECT

City of New York, State of New York, County of New York

I, Aurora Landman, hereby certify that the document "**1 - Banks in 1958**" is, to the best of my knowledge and belief, a true and accurate translation from Spanish (CU) into English.

Aurora Landman

Sworn to before me this
August 19, 2019

Signature, Notary Public

WENDY POON
NOTARY
NO. 01PO6358754
QUALIFIED IN
QUEENS COUNTY
COMM. EXP.
04-03-2021
PUBLIC
STATE OF NEW YORK

Stamp, Notary Public

Exhibit 2

Court Exhibit 9 7/8/14

U.S. Department of Justice

United States Attorney
Southern District of New York

Criminal Division

The Silvio J. Mollo Building
One Saint Andrew's Plaza 950
New York, New York 10007

Robert F. Kennedy [illegible] Building
Pennsylvania Avenue, NW
Washington, DC 20530

June 27, 2014

Karen Patton Seymour, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004

14cr 460 (LGS)

Re: United States v. BNP Paribas S.A.

Dear Ms. Seymour:

On the understandings specified below, the Office of the United States Attorney for the Southern District of New York and the Asset Forfeiture and Money Laundering Section of the Criminal Division of the United States Department of Justice ("the Offices" or "the Government") will accept a guilty plea from BNP Paribas S.A. ("BNPP") to a one-count information (the "Information," attached hereto as Exhibit A). Count One of the Information charges BNPP with conspiracy to commit an offense against the United States in violation of Title 18, United States Code, Section 371, by conspiring to violate the International Emergency Economic Powers Act ("IEEPA"), codified at Title 50, United States Code, Section 1701 *et seq.*, and regulations issued thereunder, and the Trading with the Enemy Act ("TWEA"), codified at Title 50, United States Code Appendix, Section 1 *et seq.*, and regulations issued thereunder. Count One carries a maximum term of five years' probation, pursuant to Title 18, United States Code, Sections 3551(c)(1) and 3561(c)(1); a maximum fine, pursuant to Title 18, United States Code, Section 3571 of the greatest of $500,000, twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to persons other than the defendant resulting from the offense; and a $400 mandatory special assessment.

BNPP hereby admits the forfeiture allegation with respect to Count One of the Information and agrees to forfeit to the United States, pursuant to Title 18, United States Code, Section 981, and Title 28, United States Code, Section 2461, a total of $8,833,600,000 (the "Total Forfeiture Amount"), representing the amount of proceeds traceable to the violations set forth in Count One of the Information. The Government agrees that payments made by BNPP in connection with its concurrent settlement of the related criminal action brought by the New York County District Attorney's Office, and the related regulatory actions brought by the Board of Governors of the Federal Reserve System ("Federal Reserve") and the New York State Department of Financial Services (the "Related Actions") shall be credited against the Total Forfeiture Amount as follows:

Monetary penalty imposed by the Federal Reserve (not to exceed $508,000,000);

Monetary penalty imposed by the New York State Department of Financial Services (not to exceed $2,243,400,000); and

Monetary penalty to be paid by BNPP in connection with its resolution of criminal charges brought by the New York County District Attorney's Office (not to exceed $2,243,400,000).

BNPP agrees that a payment equal to the Total Forfeiture Amount, less any applicable credits described above ("the Federal Forfeiture Payment"), shall be made by wire transfer pursuant to instructions provided by the Offices within 30 days of the Plea Agreement becoming effective as set forth below.

BNPP admits the facts set forth in the Statement of Facts (attached hereto as Exhibit B) and agrees that those facts establish guilt of the offense charged in the Information beyond a reasonable doubt. The Statement of Facts, which is hereby incorporated into this Plea Agreement, constitutes a stipulation of facts for purposes of Section 1B1.2(a) of the Sentencing Guidelines. BNPP further agrees that the facts set forth in the Statement of Facts and admitted to by BNPP establish that the Total Forfeiture Amount, as alleged in the Information, is forfeitable to the United States as representing the amount of proceeds traceable to the violations set forth in Count One of the Information. BNPP consents to the entry of the Stipulated Preliminary Order of Forfeiture/Money Judgment (attached hereto as Exhibit C) and agrees that the Stipulated Preliminary Order of Forfeiture/Money Judgment shall be final as to the defendant at the time of sentencing. By this Agreement, and pursuant to the Stipulated Preliminary Order of Forfeiture/Money Judgment, BNPP agrees to the entry, at sentencing, of a Final Order of Forfeiture relating to the Total Forfeiture Amount in this action. Upon transfer of the Federal Forfeiture Payment to the United States, BNPP shall release any and all claims it may have to such funds, consistent with the Stipulated Preliminary Order of Forfeiture/Money Judgment, and execute such documents as are necessary to accomplish the forfeiture of the Federal Forfeiture Payment. BNPP agrees that it shall not file any petitions for remission, restoration, or any other assertion of ownership or request for return relating to the Federal Forfeiture Payment, or any other action or motion seeking to collaterally attack the seizure, restraint, forfeiture, or conveyance of the Federal Forfeiture Payment, nor shall it assist any others in filing any such claims, petitions, actions, or motions.

In consideration of the plea of BNPP to Count One of the Information, neither BNPP nor BNP Paribas (Suisse) S.A. shall be further prosecuted criminally by the Offices (except for criminal tax violations as to which the Offices cannot, and do not, make any agreement) for any violations by BNPP of United States economic sanctions laws and regulations, including TWEA and IEEPA, that occurred between 2002 and 2012, to the extent that BNPP has truthfully and completely disclosed such conduct to the Offices as of the date of this Agreement. Nor will the Offices bring any civil or further criminal forfeiture or money laundering charges or claims against BNPP or BNP Paribas (Suisse) S.A. based on violations of United States economic sanctions laws and regulations, including TWEA and IEEPA, that occurred between 2002 and 2012, to the extent that BNPP has truthfully and completely disclosed such conduct to the Offices as of the date of this Agreement. This Agreement does not bar the use of such conduct

as a predicate act or as the basis for a sentencing enhancement in a subsequent prosecution including, but not limited to, a prosecution pursuant to Title 18, United States Code, Section 1961 *et seq.* The Offices' prosecution of BNPP for the conduct charged in the Information will be concluded following BNPP's conviction, completion of its sentence, and satisfaction of the monetary requirements of this Agreement, consistent with the other provisions of this Agreement.

BNPP's plea will be tendered pursuant to Fed. R. Crim. P. 11(c)(1)(C). BNPP cannot withdraw its plea of guilty unless the sentencing judge rejects this Plea Agreement or fails to impose a sentence consistent herewith. If the sentencing judge rejects this Plea Agreement or fails to impose a sentence consistent herewith, the Plea Agreement shall be null and void at the option of either the Offices or BNPP.

This Agreement does not provide any protection against prosecution except as set forth above, and applies only to BNPP and BNP Paribas (Suisse) S.A. and not to any individuals. In particular, this Agreement provides no immunity from prosecution to any individual and shall not restrict the ability of the Offices to charge any individual for any criminal offense and seek the maximum term of imprisonment applicable to any such violation of criminal law.

Guidelines Stipulations

In consideration of the foregoing and pursuant to United States Sentencing Guidelines ("U.S.S.G." or "Guidelines") Section 6B1.4, the parties hereby stipulate that Guidelines provisions in effect as of November 1, 2013 apply to this case. BNPP further stipulates that the Government's Guidelines calculations, set forth below, shall be used to calculate the applicable Guidelines Range in connection with sentencing and further agrees not to contest such Guidelines calculations.

1. Pursuant to U.S.S.G. §§ 2X1.1 and 2X5.1, the base offense level for Count One should be determined by applying the most analogous offense guideline.[1]

2. The most analogous offense guideline is U.S.S.G. § 2M5.1, which applies to the evasion of export controls.

3. Pursuant to U.S.S.G. §§ 2M5.1(a)(1)(A), the base offense level is 26, as the offense involved the evasion of national security controls.

4. Accordingly, the total offense level, pursuant to U.S.S.G. §§ 2X1.1, 2X5.1 and 2M5.1(a)(1)(A), is 26.

---

[1] Section 2X1.1 states, in relevant part, that for a conspiracy not covered by a specific offense guideline, the base offense level shall be "the base offense level from the guideline for the substantive offense." Comment 3 to Section 2X1.1 points to Section 2X5.1 if the "substantive offense is not covered by a specific guideline." Section 2X5.1 states, in relevant part, that where the "offense is a felony for which no guideline expressly has been promulgated, [the court should] apply the most analogous offense guideline."

5. Pursuant to U.S.S.G. § 8C2.10, because U.S.S.G.§ 2M5.1(a)(1) is not listed in U.S.S.G. § 8C2.1, the court should determine the appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572.

6. Pursuant to 18 U.S.C. §§ 3553 and 3572, the appropriate fine amount is $140 million (the "Stipulated Fine Amount"), representing twice the amount of pecuniary gain to BNPP as a result of the offense conduct.

The parties agree not to seek a fine other than the Stipulated Fine Amount, nor to suggest that the Probation Office consider a fine other than the Stipulated Fine Amount, nor to suggest that the Court *sua sponte* consider a fine other than the Stipulated Fine Amount. BNPP agrees that any fine ordered by the Court at sentencing shall be paid separately to the United States, with no credit received for any payments of the Total Forfeiture Amount. Similarly, BNPP agrees that it will not receive credit toward the Total Forfeiture Amount as a result of its payment of the Stipulated Fine Amount.

BNPP agrees to pay the Stipulated Fine Amount in full no later than 90 days after the imposition of sentence. BNPP agrees that it shall not claim, assert, or apply for, either directly or indirectly, any tax deduction, tax credit, or any other offset with regard to any U.S. federal, state, or local tax or taxable income for any fine or forfeiture paid pursuant to this Agreement.

The Offices and BNPP further agree that the Court should impose a term of probation of five years on BNPP (the "Stipulated Probation Term"). The parties further stipulate that the terms of probation shall be (i) the applicable mandatory conditions of probation described in 18 U.S.C. § 3563(a)(1) and U.S.S.G. § 8D1.3(a), and (ii) a requirement that BNPP enhance its compliance policies and procedures with regard to U.S. sanctions laws and regulations in accordance with the settlement agreements it has entered into with the Federal Reserve and the New York State Department of Financial Services ("DFS"). BNPP further agrees that any compliance consultant or monitor imposed by Federal Reserve or DFS shall, at BNPP's own expense, submit to the Offices any report that it submits to Federal Reserve or DFS.

BNPP agrees to waive its right to the issuance of a Presentence Investigation Report pursuant to Fed. R. Crim. P. 32, and BNPP and the Offices agree that the information contained in this Agreement, the Statement of Facts, and the Information are sufficient to enable the Court to meaningfully exercise its sentencing authority under 18 U.S.C. § 3553, pursuant to Fed. R. Crim. P. 32(c)(1)(A)(ii).

BNPP will immediately file an application for a prohibited transaction exemption with the United States Department of Labor ("DoL") requesting that BNPP, its subsidiaries, and affiliates be allowed to continue to be qualified as a Qualified Professional Asset Manager pursuant to Prohibited Transactions Exemption 84-14 (the "QPAM Exemption"). BNPP will seek such exemption in the form and manner that permits such exemption to be considered in the most expeditious manner possible, and will provide all information requested of it by DoL in a timely manner. The decision regarding whether or not to grant an exemption, temporary or otherwise, is committed to DoL, and the Offices take no position on whether or not an exemption should be granted. If DoL denies the exemption, or takes any other action adverse to BNPP, BNPP may not withdraw its plea or otherwise be released from any of its obligations under this

Plea Agreement. The Offices agree that they will support a motion or request by BNPP that sentencing in this matter be adjourned until DoL has issued a ruling on BNPP's request for an exemption, temporary or otherwise, so long as BNPP is proceeding with the DoL in an expeditious manner.

Other Provisions

For the duration of the Stipulated Probation Term, BNPP agrees to cooperate fully with the Offices, the Federal Bureau of Investigation ("FBI"), the Internal Revenue Service – Criminal Investigations ("IRS-CI"), and any other governmental agency designated by the Offices regarding any matter relating to the conduct described in the Information and/or Statement of Facts (the "Offices' Investigation"). It is understood that, consistent with its obligations under law, including relevant data protection, bank secrecy, or other confidentiality laws, BNPP shall, with respect to the Offices' Investigation: (a) truthfully and completely disclose all information with respect to the activities of BNPP and its officers, agents, affiliates, and employees concerning all matters about which the Offices inquire of it, which information can be used for any purpose; (b) cooperate fully with the Offices, the FBI, IRS-CI, and any other government agency designated by the Office; (c) attend all meetings at which the Offices request its presence and use its reasonable best efforts to secure the attendance and truthful statements or testimony of any past or current officers, agents, or employees at any meeting or interview or before the grand jury or at trial or at any other court proceeding; (d) provide to the Offices upon request any document, record, or other tangible evidence relating to matters about which the Offices or any designated law enforcement agency inquires of it; (e) assemble, organize, and provide in a responsive and prompt fashion, and upon request, on an expedited schedule, all documents, records, information and other evidence in BNPP's possession, custody or control as may be requested by the Offices, the FBI, or designated governmental agency, including collecting and maintaining all records that are potentially responsive to United States' requests for documents located abroad so that these requests may be promptly responded to; (f) provide to the Offices any information and documents that come to BNPP's attention that may be relevant to the Offices' Investigation, as specified by the Offices; (g) provide testimony or information concerning the conduct set forth in the Information and/or Statement of Facts including but not limited to testimony and information necessary to identify or establish the original location, authenticity, or other basis for admission into evidence of documents or physical evidence in any criminal or other proceeding as requested by the Offices, the FBI, or designated governmental agency. To the extent documents above are in a foreign language, BNPP agrees it will provide, at its own expense, fair and accurate translations of any foreign language documents produced by BNPP to the Offices either directly or through any Mutual Legal Assistance Treaties. Nothing in this Agreement shall be construed to require BNPP to provide any information, documents, or testimony protected by the attorney-client privilege, work-product doctrine, or other applicable privileges.

For the duration of the Stipulated Probation Term, it is further understood that BNPP shall: (a) bring to the Offices' attention all criminal conduct by BNPP or any of its employees acting with the scope of their employment related to the Offices' Investigation, as to which BNPP's Board of Directors, senior management, or United States legal and compliance personnel are aware; (b) bring to the Offices' attention any administrative, regulatory, civil, or criminal proceeding or investigation of BNPP relating to the Offices' Investigation; (c) commit

no crimes under the federal laws of the United States subsequent to the execution of this Agreement; and (d) bring to the Offices' attention, in a timely manner, the name and contact information, if available to BNPP, of any entity (including, but not limited to, BNPP's customers, financial institutions, companies, organizations, groups, or persons) that makes a request to BNPP to withhold or alter its name or other identifying information, or attempts to withhold or alter such information, where the request or attempt appears to be related to circumventing or evading U.S. sanctions laws.

Nothing in this Agreement limits the rights of the parties to present to the Probation Office or the Court any facts relevant to sentencing. Nothing in this Agreement limits the right of the Government to seek denial of the adjustment for acceptance of responsibility, *see* U.S.S.G. § 8C2.5(g)(3), regardless of any stipulation set forth above, if BNPP fails clearly to demonstrate acceptance of responsibility, to the satisfaction of the Government, through its allocution and subsequent conduct prior to the imposition of sentence. Similarly, nothing in this Agreement limits the right of the Government to seek an enhancement for obstruction of justice, see U.S.S.G. § 8C2.5(e), regardless of any stipulation set forth above, should it be determined that BNPP has either (i) engaged in conduct, unknown to the Government at the time of the signing of this Agreement, that constitutes obstruction of justice; or (ii) committed another crime after signing this Agreement and prior to sentencing in this case. To the extent the Court determines that BNPP has failed to accept responsibility or obstructed justice, as described above, the Government is permitted to seek any fine up to the statutory maximum.

It is understood that the sentence to be imposed upon BNPP is determined solely by the Court. It is further understood that the Guidelines, the Stipulated Fine Amount, and the Total Forfeiture Amount are not binding on the Court. BNPP acknowledges that its entry of a guilty plea to the charged offense authorizes the sentencing court to impose any sentence, up to and including the statutory maximum sentence, including the maximum fine, in addition to any restitution and forfeiture ordered by the Court. The Offices cannot, and do not, make any promise or representation as to what sentence BNPP will receive. Moreover, in accordance with Fed. R. Crim. P. 11(c)(3)(A), it is understood that the Court may accept the Agreement, reject it, or defer a decision until the Court has reviewed the presentence report, if such a report is requested by the Court.

It is agreed (i) that BNPP will not file a direct appeal; nor bring a collateral challenge, including but not limited to an application under Title 28, United States Code, Section 2255 and/or Section 2241; nor seek a sentence modification pursuant to Title 18, United States Code, Section 3582(c), of any fine less than or equal to the Stipulated Fine Amount of $140,000,000 or of any forfeiture amount less than or equal to the Total Forfeiture Amount of $8,833,600,000, and (ii) that the Government will not appeal any fine that is greater than or equal to the Stipulated Fine Amount of $140,000,000 or any forfeiture amount that is greater than or equal to the Total Forfeiture Amount $8,833,600,000. This provision is binding on the parties even if the Court employs a Guidelines analysis or forfeiture calculation different from that stipulated to herein. Furthermore, it is agreed that any appeal as to the sentence of BNPP that is not foreclosed by this provision will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) the above stipulations. BNPP further agrees not to appeal any term of probation that is less than or equal to the statutory maximum.

BNPP hereby acknowledges that it has accepted this Agreement and decided to plead guilty because it is in fact guilty of the charged offense. By virtue of the resolution of the Board of Directors of BNPP (attached hereto as Exhibit D), affirming that the Board of Directors has authority to enter into this Plea Agreement and has (1) reviewed the Information in this case, the Statement of Facts, and the proposed Plea Agreement or has been advised of the contents thereof; (2) consulted with legal counsel in connection with the matter; (3) voted to enter into this Agreement and to admit to the attached Statement of Facts; (4) voted to authorize BNPP to plead guilty to the charge specified in the Information; (5) voted to consent to the entry of the Stipulated Preliminary Order of Forfeiture/Money Judgment in this action; and (6) voted to authorize the corporate officer identified below to execute this Agreement and all other documents necessary to carry out the provisions of this Agreement. BNPP agrees that a duly authorized corporate officer for BNPP shall appear on behalf of BNPP and enter the guilty plea and will also appear for the imposition of sentence.

BNPP is satisfied that its counsel has rendered effective assistance. BNPP understands that by entering into this Agreement, it surrenders certain rights as provided in this Agreement. BNPP understands that the rights of criminal defendants include the following: the right to plead not guilty and to persist in that plea; the right to a jury trial; the right to be represented by counsel – and if necessary have the court appoint counsel – at trial and at every other stage of the proceedings; and the right at trial to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses.

By entering this plea of guilty, BNPP waives any and all right to withdraw its plea or to attack its conviction, either on direct appeal or collaterally, on the ground that the Government has failed to produce any discovery material, Jencks Act material, exculpatory material pursuant to *Brady* v. *Maryland*, 373 U.S. 83 (1963), other than information establishing the factual innocence of BNPP, and impeachment material pursuant to *Giglio v. United States*, 405 U.S. 150 (1972), that has not already been produced as of the date of the signing of this Agreement. BNPP expressly understands and acknowledges that it may not withdraw its plea of guilty unless the Court rejects this Plea Agreement under Fed. R. Crim. P. 11(c)(5).

It is further agreed that should BNPP withdraw its plea of guilty, or should the conviction following the plea of guilty of BNPP pursuant to this Agreement be vacated for any reason, then any prosecution for violations of U.S. federal criminal law, or conspiracy to commit the same, that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced or reinstated against BNPP, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the date the plea is withdrawn or the conviction is vacated. In the event that the plea is withdrawn or the conviction is vacated, it is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

It is further understood that this Agreement does not bind any federal, state, or local prosecuting authority other than the Offices.

The Offices specifically may, at their sole option, be released from their commitments under this Plea Agreement, including but not limited to, their agreement that this resolution constitutes the appropriate disposition of this case, if at any time between the execution of this Plea Agreement and sentencing, BNPP: fails to truthfully admit its conduct in the offense of convictions; falsely denies, or frivolously contests, relevant conduct for which BNPP is accountable under Guidelines Section 1B1.3; gives false or misleading testimony in any proceeding relating to the criminal conduct charged in this case and any relevant conduct for which BNPP is accountable under Guidelines Section 1B1.3; engages in acts which form a basis for finding that BNPP has obstructed or impeded the administration of justice under Guidelines Section 3C1.1; or attempts to withdraw its plea.

BNPP further agrees that it shall not authorize or approve, through its attorneys, partners, agents, or employees, any statement, in litigation or otherwise, through the Stipulated Probation Term (i) contradicting the guilt of BNPP, (ii) contradicting the facts set forth in the Statement of Facts, or (iii) contradicting that there is a sufficient factual basis to establish the Guidelines calculations set forth in this Agreement. Consistent with this provision, BNPP may raise defenses, including affirmative defenses, and/or assert affirmative claims in any civil proceedings brought by private parties in the United States, and in any criminal, regulatory, civil case, investigation, or other proceeding initiated by governmental agency or authority or private party outside the United States, so long as doing so is consistent with the provisions above. This applies to any such statements, whether made in the United States or any other jurisdiction. Any such authorized or approved contradictory statement by BNPP, its present or future attorneys, partners, agents, or employees shall constitute a material breach of this Agreement. The decision as to whether any such contradictory statement will be imputed to BNPP for the purpose of determining whether BNPP has breached this Agreement shall be at the sole discretion of the Offices. Upon the Offices' notifying BNPP of any such contradictory statement by electronic mail or U.S. mail to its U.S. counsel, BNPP may avoid a finding of breach of this Agreement by repudiating such statement both to the recipient of such statement and to the Offices within 72 hours after receipt of notice from the Offices. BNPP consents to the public release by the Offices, in their sole discretion, of any such repudiation.

This Plea Agreement is effective when signed by BNPP, BNPP's attorney, an attorney for the Criminal Division, Department of Justice, and an attorney for the Office of the U.S. Attorney for the Southern District of New York. If BNPP fails to comply with any provision of this Agreement, or commits or attempts to commit any additional federal, state, or local crimes, then:

a. The Offices will be released from their obligation under this Plea Agreement by notifying BNPP, through counsel or otherwise, in writing. The defendant however, may not withdraw the guilty plea entered pursuant to this Agreement;

b. The defendant will be subject to prosecution for any federal criminal violation, including, but not limited to, perjury and obstruction of justice, that is not time-barred by the applicable statute of limitations on the date this Agreement is signed;

c. Any prosecution, including the prosecution that is the subject of this Agreement, may be premised upon any information provided, or statements made, by the defendant, and all

such information, statements, and leads derived therefrom may be used against BNPP. BNPP waives any right to claim that statements made before or after the date of this Agreement, including the Statement of Facts accompanying this Agreement or adopted by the defendant and any other statements made pursuant to this or any other agreement with the Offices, should be excluded or suppressed under Fed. R. Evid. 410, Fed. R. Crim. P. 11(f), the Guidelines, or any other provision of the Constitution or federal law.

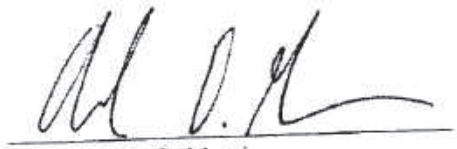
Any alleged breach of this Agreement by either party shall be determined by the Court in an appropriate proceeding at which the defendant's disclosures and documentary evidence shall be admissible and at which the moving party shall be required to establish a breach of the Plea Agreement by a preponderance of the evidence.

Apart from any written Proffer Agreement(s) that may have been entered into between the Offices and BNPP, this Agreement supersedes any prior understandings, promises, or conditions between the Offices, BNPP, and BNPP's counsel. BNPP and BNPP's counsel acknowledge that no threats, promises, or representation have been made, nor agreements reached, other than those set forth in writing in this Plea Agreement, to cause BNPP to plead guilty. No additional understandings, promises, or conditions have been entered into other than those set forth in this Agreement, and none will be entered into unless in writing and signed by all parties. This Plea Agreement is binding on BNPP, the Criminal Division of the Department of Justice, and the U.S. Attorney's Office for the Southern District of New York. BNPP understands that this Plea Agreement does not bind any state or local prosecutorial authorities.

This Agreement shall bind BNPP, its subsidiaries, affiliated entities, assignees, and its successor corporation if any, and any other person or entity that assumes the obligations contained herein. No change in name, change in corporate or individual control, business reorganization, change in ownership, merger, change of legal status, sale or purchase of assets, divestiture of assets, or similar action shall alter defendant's obligations under this Agreement. BNPP shall not engage in any action to seek to avoid the obligations set forth in this Agreement.

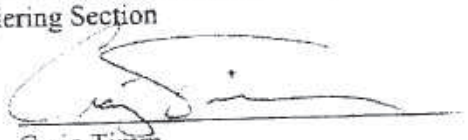
Very truly yours,

PREET BHARARA
United States Attorney

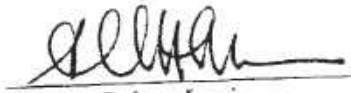
By: 
Andrew D. Goldstein
Martin S. Bell
Christine I. Magdo
Micah W. J. Smith
Assistant United States Attorneys
(212) 637-2200

LESLIE CALDWELL
Assistant Attorney General
Criminal Division

JAIKUMAR RAMASWAMY
Chief, Asset Forfeiture and Money
Laundering Section

By: 
Craig Timm
Jennifer E. Ambuehl
Trial Attorneys
Asset Forfeiture and Money
Laundering Section, Criminal Division
(202) 514-1263

APPROVED:


Sharon Cohen Levin
Chief, Money Laundering and
Asset Forfeiture Unit

AGREED AND CONSENTED TO:

The Board of Directors has authorized me to execute this Plea Agreement on behalf of BNPP. The Board has read this Plea Agreement, the attached criminal Information, the Preliminary Order of Forfeiture/Money Judgment, and Statement of Facts in their entirety, or has been advised of the contents thereof, and has discussed them fully in consultation with BNPP's attorneys. I am further authorized to acknowledge on behalf of BNPP that these documents fully set forth BNPP's agreement with the Offices, and that no additional promises or representations have been made to BNPP by any officials of the United States in connection with the disposition of this matter, other than those set forth in these documents.

BNP Paribas S.A.
by [GEORGES DILENI]

June 28, 2014
DATE

APPROVED:

We are counsel for BNPP in this case. We have fully explained to BNPP its rights with respect to the pending Information. Further, we have reviewed Title 18, United States Code, Sections 3553 and 3571 and the Sentencing Guidelines Manual, and we have fully explained to BNPP the provisions that may apply in this case. We have carefully reviewed every part of this Plea Agreement with the defendant. To our knowledge, the defendant's decision to enter into this Agreement is an informed and voluntary one.

Karen Patton Seymour, Esq.
Sullivan & Cromwell LLP
Attorneys for BNP Paribas S.A.

June 28, 2014
DATE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - - - - - - - - - - - - - x

UNITED STATES OF AMERICA :

- v. - :

BNP PARIBAS S.A., :

Defendant. :

- - - - - - - - - - - - - - - - - x

INFORMATION

14 Cr. 14 CRIM 460

COUNT ONE

(Conspiracy To Violate the International Emergency Economic Powers Act and the Trading With the Enemy Act)

The United States Attorney charges:

The Conspiracy

1. From at least in or about 2004 up to and including in or about 2012, in the Southern District of New York and elsewhere, BNP Paribas S.A. ("BNPP"), the defendant, together with others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit offenses against the United States, to wit, violations of the International Emergency Economic Powers Act ("IEEPA") under Title 50, United States Code, Sections 1702 and 1705; the Trading with the Enemy Act ("TWEA") under Title 50, United States Code Appendix, Sections 3, 5, and 16; and the executive orders and regulations issued thereunder.

2. It was a part and an object of the conspiracy that BNPP, the defendant, and others known and unknown, willfully and knowingly would and did violate executive orders prohibiting the exportation, directly and indirectly, of services from the United States to Sudan and Iran, and the evasion and avoidance of the aforementioned prohibition, to wit, BNPP willfully and knowingly structured, conducted, and concealed U.S. dollar transactions using the U.S. financial system on behalf of banks and other entities located in or controlled by Sudan, and on behalf of an entity located in Iran, in violation of IEEPA, Title 50, United States Code, Section 1705(a) and (c); the Sudanese Sanctions Regulations, Title 31, Code of Federal Regulations, Sections 538.205 and 538.211, Executive Order 13067, Section 2(b) and (g) (Nov. 3, 1997) and Executive Order 13412, Section 3(a) (Oct. 13, 2006) (U.S. sanctions against Sudan); and the Iranian Transactions and Sanctions Regulations, Title 31, Code of Federal Regulations, Sections 560.203 and 560.204, Executive Order 12959, Section 1(b) and (g) (May 6, 1995); and Executive Order 13059, Section 2(a) and (f) (Aug. 19, 1997) (U.S. sanctions against Iran).

3. It was a further part and an object of the conspiracy that BNPP, the defendant, and others known and unknown, willfully and knowingly would and did violate regulations prohibiting all transfers of credit and all payments between, by, through, and to

any banking institution, with respect to any property subject to the jurisdiction of the United States, in which Cuba has any interest of any nature whatsoever, direct or indirect, and the evasion and avoidance of the aforementioned prohibition, to wit, BNPP willfully and knowingly structured, conducted, and concealed U.S. dollar transactions using the U.S. financial system on behalf of banks and other entities controlled by Cuba, in violation of TWEA, Title 50, United States Code Appendix, Sections 3, 5 and 16(a); and Title 31, Code of Federal Regulations, Sections 515.201(a)(1), (c) and (d), and 515.313 (U.S. sanctions against Cuba).

Means and Methods of the Conspiracy

4. Among the means and methods by which BNPP, the defendant, and its co-conspirators carried out the conspiracy were the following:

a. BNPP intentionally used a non-transparent method of payment messages, known as cover payments, to conceal the involvement of banks and other entities located in or controlled by countries subject to U.S. sanctions, including Sudan, Iran and Cuba ("Sanctioned Entities"), in U.S. dollar transactions processed through BNPP's branch office in the United States headquartered in New York, New York ("BNPP New York") and other financial institutions in the United States.

b. BNPP worked with other financial institutions to structure payments in highly complicated ways, with no legitimate business purpose, to conceal the involvement of Sanctioned Entities in order to prevent the illicit transactions from being blocked when transmitted through the United States.

c. BNPP instructed other financial institutions not to mention the names of Sanctioned Entities in U.S. dollar payment messages sent to BNPP New York and other financial institutions in the United States.

d. BNPP followed instructions from Sanctioned Entities not to mention their names in U.S. dollar payment messages sent to BNPP New York and other financial institutions in the United States.

e. BNPP removed information identifying Sanctioned Entities from U.S. dollar payment messages in order to conceal the involvement of Sanctioned Entities from BNPP New York and other financial institutions in the United States.

Overt Acts

5. In furtherance of the conspiracy and to effect its illegal objects, BNPP, the defendant, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. In or about December 2006, BNPP, through its subsidiary based in Geneva, Switzerland, caused an unaffiliated U.S. financial institution located in New York, New York ("U.S. Bank 1") to process an approximately $10 million U.S. dollar transaction involving a Sanctioned Entity in Sudan by concealing from U.S. Bank 1 the involvement of the Sanctioned Entity.

b. In or about November 2012, BNPP, through its headquarters in Paris, France ("BNPP Paris"), processed an approximately $6.5 million U.S. dollar transaction on behalf of a corporation controlled by an Iranian entity through BNPP New York.

c. On or about November 24, 2009, BNPP Paris processed an approximately $213,027 U.S. dollar transaction through BNPP New York in connection with a U.S. dollar denominated credit facility that provided financing to various Sanctioned Entities in Cuba.

(Title 18, United States Code, Section 371.)

FORFEITURE ALLEGATION

6. As a result of committing the offense alleged in Count One of this Information, BNPP, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense, including but not limited to a sum of money in United States currency totaling $8,833,600,000.

Substitute Assets Provision

7. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property

of the defendant up to the value of the forfeitable property described above.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); and Title 28, United States Code, Section 2461(c).)

LESLIE CALDWELL
Assistant Attorney General
Criminal Division

JAIKUMAR RAMASWAMY
Chief, Asset Forfeiture and Money Laundering Section

PREET BHARARA
United States Attorney

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA :

14 Cr. _____

- v. - :

BNP PARIBAS, S.A., :

Defendant. :

STATEMENT OF FACTS

The parties stipulate that the allegations in Count One of the Federal Information, the allegations in Counts One and Two of the New York State Superior Court Information, and the following facts are true and correct, and that had the matter gone to trial, the United States and New York State would have proved them beyond a reasonable doubt:

1. BNP Paribas S.A. ("BNPP"), the defendant, is the largest bank in France and one of the five largest banks in the world in terms of total assets. It has approximately 190,000 employees and more than 34 million customers around the world. BNPP's headquarters are located in Paris, France ("BNPP Paris"), and BNPP has subsidiaries, affiliates and branches in many countries throughout the world, including branch offices in the United States headquartered in New York, New York ("BNPP New York"), and a subsidiary based in Geneva, Switzerland, incorporated as BNPP Paribas (Suisse) S.A. ("BNPP Geneva"). One of BNPP's core businesses is its Corporate and Investment Bank ("CIB"). Among other activities, CIB provides clients with financing in the form of letters of credit and syndicated loans. A significant part of this financing occurs within a CIB business line formerly called Energy Commodities Export Project ("ECEP") that focuses on, among other things, providing financing related to oil, petroleum gas and other commodities.

U.S. Sanctions Laws

2. Pursuant to U.S. law, financial institutions, including BNPP, are prohibited from participating in certain financial transactions involving persons, entities and countries subject to U.S. economic sanctions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") promulgates regulations to administer and enforce U.S. laws governing economic sanctions, including regulations for sanctions related to specific countries, as well as sanctions related to Specially Designated Nationals ("SDNs"). SDNs are individuals and companies specifically designated as having their assets blocked from the U.S. financial system by virtue of being owned or controlled by, or acting for or on behalf of, targeted countries, as well as individuals, groups, and entities, such as terrorists and narcotics traffickers, designated under sanctions programs that are not country-specific.

Sudan Sanctions

3. In November 1997, President Clinton, invoking the authority, *inter alia*, of the International Emergency Economic Powers Act ("IEEPA"), Title 50, United States Code, Section 1701 et seq., issued Executive Order 13067, which declared a national emergency with respect to the policies and actions of the Government of Sudan, "including continued support for international terrorism; ongoing efforts to destabilize neighboring governments; and the prevalence of human rights violations, including slavery and the denial of religious freedom." Exec. Order No. 13067 (Nov. 3, 1997). Executive Order 13067 imposed trade sanctions with respect to Sudan and blocked all property, and interests in property, of the Government of Sudan in the United States or within the possession or control of U.S. persons.[1]

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[1] The international community also recognized the threat posed by the policies and actions of the Government of Sudan. In 2005, the United Nations Security Council recognized "the dire consequences of the prolonged conflict for the civilian population in the Darfur region as well as throughout Sudan," the "violations of human rights and

4. In October 2006, President Bush, also pursuant to IEEPA, issued Executive Order 13412, which further strengthened the sanctions against Sudan. Executive Order 13412 cited the "continuation of the threat to the national security and foreign policy of the United States created by certain policies and actions of the Government of Sudan that violate human rights, in particular with respect to the conflict in Darfur, where the Government of Sudan exercises administrative and legal authority and pervasive practical influence, and due to the threat to the national security and foreign policy of the United States posed by the pervasive role played by the Government of Sudan in the petroleum and petrochemical industries in Sudan . . . ." Exec. Order No. 13412 (Oct. 13, 2006).

5. Under Executive Orders 13067 and 13412 and related regulations promulgated by OFAC pursuant to IEEPA, it is unlawful to export goods and services from the United States, including U.S. financial services, to Sudan without a license from OFAC. Under these Executive Orders and regulations, virtually all trade and investment activities involving the U.S. financial system, including the processing of U.S. dollar transactions through the United States, were prohibited.

6. Pursuant to Title 50, United States Code, Section 1705, it is a crime to willfully violate, attempt to violate, conspire to violate, or cause a violation of regulations issued pursuant to IEEPA, including the U.S. sanctions against Sudan.

7. Pursuant to New York State Penal Law section 175.10, it is a felony to Falsify Business Records, pursuant to New York State Penal Law section 175.05, when it is done with the intent to commit another crime or to aid or conceal the commission of a crime.

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international humanitarian law in the Darfur region," and the "failure of the Government of Sudan to disarm Janjaweed militiamen and apprehend and bring to justice Janjaweed leaders and their associates who have carried out human rights and international humanitarian law violations and other atrocities." U.N. Security Council Resolution 1591 (Mar. 29, 2005).

Iran Sanctions

8. In March 1995, President Clinton, pursuant to IEEPA, issued Executive Order 12957, finding that "the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States" and "declare[d] a national emergency to deal with that threat." United States economic sanctions against Iran were strengthened in May 1995 and August 1997 pursuant to Executive Orders 12959 and 13059. These Executive Orders and related regulations promulgated by OFAC prohibited virtually all trade and investment activities between the United States and Iran. With the exception of certain exempt or authorized transactions, OFAC regulations implementing the Iranian sanctions generally prohibited the export of services to Iran from the United States. One such exemption, which was in effect until November 2008, permitted U.S. banks to act as an intermediary bank for U.S. dollar transactions related to Iran between two non-U.S., non-Iranian banks (the "U-Turn" exemption). The U-Turn exemption applied only to sanctions regarding Iran, and not to sanctions against Sudan, Cuba or other countries or entities.

9. Pursuant to Title 50, United States Code, Section 1705, it is a crime to willfully violate, attempt to violate, conspire to violate, or cause a violation of regulations issued pursuant to IEEPA, including the U.S. sanctions against Iran.

10. Pursuant to New York State Penal Law section 175.10, it is a felony to Falsify Business Records, pursuant to New York State Penal Law section 175.05, when it is done with the intent to commit another crime or to aid or conceal the commission of a crime.

Cuba Sanctions

11. Beginning with Executive Orders issued in 1960 and 1962, which found that the actions of the Government of Cuba threatened U.S. national and hemispheric security, the United States has maintained an economic embargo against Cuba through the enactment of various laws

and regulations. Pursuant to the Trading with the Enemy Act ("TWEA"), 12 U.S.C. § 95a et seq., OFAC has promulgated a series of regulations that prohibit virtually all financial and commercial dealings with Cuba, Cuban businesses, and Cuban assets.

12. Pursuant to Title 31, Code of Federal Regulations, Section 501.701, it is a crime to willfully violate regulations issued under TWEA.

13. Pursuant to New York State Penal Law section 175.10, it is a felony to Falsify Business Records, pursuant to New York State Penal Law section 175.05, when it is done with the intent to commit another crime or to aid or conceal the commission of a crime.

Overview of the Conspiracy

14. From at least 2004 up through and including 2012, BNPP, the defendant, conspired with banks and other entities located in or controlled by countries subject to U.S. sanctions, including Sudan, Iran and Cuba ("Sanctioned Entities"), other financial institutions located in countries not subject to U.S. sanctions, and others known and unknown, to knowingly, intentionally and willfully move at least $8,833,600,000 through the U.S. financial system on behalf of Sanctioned Entities in violation of U.S. sanctions laws, including transactions totaling at least $4.3 billion that involved SDNs.

15. In carrying out these illicit transactions, BNPP's agents and employees were acting within the scope of their duties which were intended, at least in part, to benefit BNPP.

Means and Methods of the Conspiracy

16. Among the means and methods by which BNPP and its co-conspirators carried out the conspiracy were the following:

a. BNPP intentionally used a non-transparent method of payment messages, known as cover payments, to conceal the involvement of Sanctioned Entities in U.S. dollar

transactions processed through BNPP New York and other financial institutions in the United States.

b. BNPP worked with other financial institutions to structure payments in highly complicated ways, with no legitimate business purpose, to conceal the involvement of Sanctioned Entities in order to prevent the illicit transactions from being blocked when transmitted through the United States.

c. BNPP instructed other co-conspirator financial institutions not to mention the names of Sanctioned Entities in U.S. dollar payment messages sent to BNPP New York and other financial institutions in the United States.

d. BNPP followed instructions from co-conspirator Sanctioned Entities not to mention their names in U.S. dollar payment messages sent to BNPP New York and other financial institutions in the United States.

e. BNPP removed information identifying Sanctioned Entities from U.S. dollar payment messages in order to conceal the involvement of Sanctioned Entities from BNPP New York and other financial institutions in the United States.

Violations of the Sudanese Sanctions

Overview

17. From 2002 up through and including 2007, BNPP, predominantly through its Swiss-based subsidiary, BNPP Geneva, conspired with numerous Sudanese banks and entities as well as financial institutions outside of Sudan to violate the U.S. embargo by providing Sudanese banks and entities access to the U.S. financial system. During the course of its illicit conduct, BNPP processed thousands of U.S. dollar denominated financial transactions with Sanctioned Entities, with a total value well in excess of $6 billion, including transactions involving 18 Sudanese SDNs, six of which were BNPP clients. The Sudanese SDN transactions processed by

BNPP had a value of approximately $4 billion, and the vast majority of these SDN transactions involved a financial institution owned by the Government of Sudan ("Sudanese Government Bank 1"), despite the Government of Sudan's role in supporting international terrorism and committing human rights abuses during this time period.

18. BNPP carried out transactions with Sanctioned Entities and evaded the U.S. embargo through several means. One such method, which enabled BNPP to manage or finance billions of dollars' worth of U.S. dollar denominated letters of credit for Sudanese entities, involved deliberately modifying and omitting references to Sudan in the payment messages accompanying these transactions to prevent the transactions from being blocked when they entered the United States. Another method, described more fully below, entailed moving illicit transactions through unaffiliated "satellite banks" in a way that enabled BNPP to disguise the involvement of Sanctioned Entities in U.S. dollar transactions. As a result of BNPP's conduct, the Government of Sudan and numerous banks connected to the Government of Sudan, including SDNs, were able to access the U.S. financial system and engage in billions of dollars' worth of U.S. dollar-based financial transactions, significantly undermining the U.S. embargo.

BNPP's Critical Role in the Sudanese Economy and in Providing Sudan Access to the U.S. Financial System

19. In 1997, shortly after the imposition of U.S. sanctions against Sudan, BNPP Geneva agreed to become the sole correspondent bank in Europe for Sudanese Government Bank 1, which, as noted above, was designated by OFAC as an SDN. Sudanese Government Bank 1 then directed all major commercial banks located in Sudan to use BNPP Geneva as their primary correspondent bank in Europe. As a result, all or nearly all major Sudanese banks had U.S. dollar accounts with BNPP Geneva. In addition to processing U.S. dollar transactions, in 2000, BNPP Geneva also developed a business in letters of credit for the Sudanese banks. Due

to its role in financing Sudan's export of oil, BNPP Geneva took on a central role in Sudan's foreign commerce market. By 2006, letters of credit managed by BNPP Geneva represented approximately a quarter of all exports and a fifth of all imports for Sudan. Over 90% of these letters of credit were denominated in U.S. dollars. In addition, the deposits of Sudanese Government Bank 1 at BNPP Geneva represented about 50% of Sudan's foreign currency assets during this time period.

20. BNPP's central role in providing Sudanese financial institutions access to the U.S. financial system, despite the Government of Sudan's role in supporting terrorism and committing human rights abuses, was recognized by BNPP employees. For example, in 2004, a manager at BNPP Geneva described in an email the political environment in Sudan as "dominated by the Darfur crisis" and called it a "humanitarian catastrophe." In April 2006, a senior BNPP Paris compliance officer stated in a memorandum that "[t]he growth of revenue from oil is unlikely to help end the conflict [in Darfur], and it is probable that Sudan will remain torn up by insurrections and resulting repressive measures for a long time." In March 2007, another senior BNPP Paris compliance officer reminded other high-level BNPP compliance and legal employees that certain Sudanese banks with which BNPP dealt "play a pivotal part in the support of the Sudanese government which . . . has hosted Osama Bin Laden and refuses the United Nations intervention in Darfur." A few months later, in May 2007, a BNPP Paris executive with responsibilities for compliance across all BNPP branches warned in a memorandum that: "In a context where the International Community puts pressure to bring an end to the dramatic situation in Darfur, no one would understand why BNP Paribas persists [in Sudan] which could be interpreted as supporting the leaders in place."

BNPP's Methods of Evading U.S. Sanctions Against Sudan

21. Financial institutions in the United States that process U.S. dollar transactions from overseas, including BNPP New York, utilize sophisticated filters designed to identify and block any transactions involving Sanctioned Entities. The filters generally work by screening wire transfer messages for any reference to (a) countries under U.S. embargo such as Sudan, Iran and Cuba; (b) all entities and individuals identified by OFAC as SDNs; and (c) any words or numbers in wire messages that would indicate that the transaction being processed through the United States involved Sanctioned Entities.

22. In order to avoid having transactions identified and blocked by filters at banks in the United States, beginning at least as early as 2002 and continuing through 2007, BNPP agreed with Sanctioned Entities in Sudan not to mention their names in U.S. dollar transactions processed through the United States. For example, when conducting U.S. dollar business with BNPP, the Sanctioned Entities frequently instructed BNPP not to mention the names of the Sanctioned Entities in wire transfer messages, which BNPP then agreed to do. In many instances, the instructions specifically referenced the U.S. embargo. For example: "due to the US embargo on Sudan, please [debit our U.S. dollar account] without mentioning our name in your payment order" and "transfer the sum of USD 900,000 . . . without mentioning our name – repeat without mentioning our name under swift confirmation to US." Such payment messages frequently bore stamps from BNPP employees stating: "ATTENTION: US EMBARGO." At times, BNPP front office employees directed BNPP back office employees processing transactions with Sudanese Sanctioned Entities to omit any reference to Sudan: "! Payment in $ to [French Bank 1] without mentioning Sudan to N.Y. !!!" Indeed, until 2004, BNPP's internally published policy for processing U.S. dollar payments involving Sudan stated: "Do not list in any

case the name of Sudanese entities on messages transmitted to American banks or to foreign banks installed in the U.S."

23. In addition to omitting references to Sudan in U.S. dollar payment messages, another method used by BNPP Geneva to evade the U.S. embargo against Sudan involved, as noted above, the use of unaffiliated, non-Sudanese, non-U.S. banks (referred to internally at BNPP Geneva as "satellite banks") to help disguise the true nature of transactions with sanctioned Sudanese banks. BNPP Geneva began its relationship with many of these satellite banks shortly after the imposition of U.S. sanctions against Sudan in 1997, and the vast majority of the satellite banks' business with BNPP Geneva involved facilitating U.S. dollar payments for sanctioned Sudanese banks.

24. Specifically, BNPP Geneva utilized the satellite banks in a two-step process designed to enable BNPP Geneva's Sudanese clients to evade U.S. sanctions. In the first step, a Sudanese bank seeking to move U.S. dollars out of Sudan transferred funds internally within BNPP Geneva to a BNPP Geneva account specifically maintained by a satellite bank to facilitate U.S. dollar transfers from Sudan. In the second step, the satellite bank transferred the money to the Sudanese bank's intended beneficiary through a U.S. bank without reference to the Sudanese bank. As a result, to the U.S. bank, it appeared that the transaction was coming from the satellite bank rather than a Sudanese bank. A similar process enabled sanctioned Sudanese banks to receive U.S. dollars without being detected: the originator of the transaction sent a wire transfer through the United States to the satellite bank's account at BNPP Geneva without reference to Sudan, and the satellite bank then transferred the money to the Sudanese bank via internal transfer at BNPP Geneva. Moreover, in order to further disguise the true nature of the satellite bank transactions, employees at BNPP Geneva frequently worked with the satellite banks to wait

between one and two days after the internal transfer before making a dollar-for-dollar, transaction-by-transaction clear of funds through the United States, artificially delinking the U.S. transfer of funds from the prior transfer involving the satellite banks so that financial institutions in the United States and U.S. authorities would be unable to link the payments to the involved Sanctioned Entity. In fact, BNPP employees internally proposed getting the satellite banks "accustom[ed] . . . to spacing out the gap between covers they execute with their U.S. correspondents to the extent possible." Ultimately, BNPP Geneva successfully used the satellite bank structure – which had no business purpose other than to help BNPP's Sudanese clients evade the U.S. embargo – to process thousands of U.S. dollar transactions, worth billions of dollars in total, for Sudanese Sanctioned Entities without having the transactions identified and blocked in the United States.

25. The use of satellite banks to facilitate U.S. dollar transactions with Sudanese Sanctioned Entities was widely known within BNPP Geneva. For example, in a 2004 email to a BNPP Geneva employee, a satellite bank requested "to open an account at BNP Paribas Genev[a] to be used mainly for the USD Transfers to and from Sudanese Banks." This e-mail was forwarded to another BNPP Geneva employee who recommended opening the account, as "the opening of this account fits in the framework of our activity in Sudan." Referencing this exchange, another BNPP Geneva employee commented that: "we have advised [this satellite bank] for a long time to open a VOSTRO account to facilitate the transactions which this institution has with countries with which we are also active."

26. BNPP's compliance personnel were also aware of BNPP's use of satellite banks to process transactions with Sanctioned Entities. For example, a 2005 compliance report described the scheme as follows:

> The main activity of certain BNPP customers is to domicile cash flows in USD on our books on behalf of Sudanese banks. These arrangements were put in place in the context of the U.S. embargo against Sudan. . . . The accounts of these banks were therefore opened with the aim of "facilitating transfers of funds in USD for Sudanese banks." This comment was made on the account opening application forms of these banks. The funds in question were then transferred, on the same day, or at the latest D+1 or 2 by the [satellite banks] to [U.S. correspondent banks].

Involvement of Senior Officials at BNPP Geneva and BNPP Paris

27. BNPP Geneva's methods of evading U.S. sanctions against Sudan – including the omission of references to Sudan from wire messages involving Sanctioned Entities and the use of satellite banks to process transactions for sanctioned Sudanese banks – were known to and condoned by senior compliance and business managers at both BNPP Geneva and BNPP Paris. As early as 2003, for example, after a visit to Geneva, a senior BNPP Paris compliance officer conveyed to BNPP CIB executives in Paris that BNPP Geneva was routinely employing a cover payment method that omitted the names of Sanctioned Entities from U.S. dollar payment messages to prevent the transactions from being discovered in the United States. The senior compliance officer observed that "in practice, in all kinds of ways, the headers of messages seem to have been amended in Geneva." In fact, an analysis of the payment messages during the relevant time period shows that BNPP Geneva processed payments involving Sanctioned Entities differently than those involving non-sanctioned entities in order to hide the Sanctioned Entity's identity.

28. In 2004, the Federal Reserve Bank of New York ("FRB-NY") and the New York State Banking Department (now known as the New York State Department of Financial Services) ("DFS") identified systemic failures in BNPP's compliance with the Bank Secrecy Act, and specifically highlighted deficiencies in BNPP New York's monitoring of transactions with overseas clients, including the processing of U.S. dollar transactions for overseas clients. In

response to the regulatory inquiries, in September 2004, BNPP agreed to enter into a Memorandum of Understanding (the "MOU") with the FRB-NY and DFS that required, among other things, that BNPP New York improve its systems for compliance with U.S. bank secrecy and sanctions laws.

29. Shortly after BNPP entered into the MOU, two senior BNPP Paris executives and BNPP Geneva executives met in Geneva to discuss how "embargoes against sensitive countries (Sudan, Libya, Syria . . .)" affected BNPP's business and operational issues with respect to sensitive countries. At that meeting, the executives decided to switch to an unaffiliated bank in the United States ("U.S. Bank 1") to process payments for countries subject to U.S. sanctions. Following that meeting, BNPP Geneva employees were instructed to have U.S. dollar payments involving Sanctioned Entities cleared through U.S. Bank 1 instead of BNPP New York.

30. The decision to switch dollar clearing involving Sanctioned Entities to U.S. Bank 1 was at least in part an attempt to decrease BNPP New York's exposure to enforcement actions by U.S. authorities, as indicated in meeting minutes outlining the new policy for U.S. dollar payments involving sanctioned countries: "the cover payments are to be executed via [U.S. Bank 1], such following problems BNP NY encountered with the U.S. authorities." In implementing the switch to U.S. Bank 1, BNPP relied on incorrect advice that outside counsel ("U.S. Law Firm 1") provided, which suggested that BNPP may have been able to protect itself from being penalized by U.S. authorities if it conducted these prohibited transactions through another U.S. bank. This was memorialized in a legal memorandum in October 2004. From 2004 through 2007, the vast majority of BNPP Geneva's transactions involving Sudanese Sanctioned Entities were cleared through U.S. Bank 1 using a payment method that concealed from U.S. Bank 1 the involvement of Sanctioned Entities in the transactions. Thus, as evidenced in a January 2006

email, "the problem" of clearing U.S. dollar transactions involving Sanctioned Entities was "in some ways shifted onto [U.S. Bank 1] Switzerland, which has the advantage of being a U.S. Bank."

31. In the months and years that followed the decision to use U.S. Bank 1 as BNPP Geneva's principal means for clearing U.S. dollar transactions with Sanctioned Entities, senior BNPP compliance and legal personnel repeatedly recognized BNPP's role in circumventing U.S. sanctions against Sudan, and yet allowed these transactions to continue in part because of their importance to BNPP's business relationships and "goodwill" in Sudan. In July 2005, for example, a BNPP Geneva employee noted how high-level business managers at BNPP were aware of and supported the transactions involving Sudan: "the general management of CIB has encouraged us to follow this [the satellite bank] model . . . . The working of this whole mechanism is coordinated with CIB/ECEP Compliance. . . . I consider it most advisable to maintain these accounts which support our vision and our position regarding our goodwill in the Sudan." In late 2005, a Paris compliance officer drafted a memo that highlighted BNPP Geneva's business with Sudan: "It seemed necessary to us to harmonize the practices and circuits of Geneva and Paris, particularly given [BNPP Geneva's] exposure to embargoes, in particular due to:

- The privileged and historical relationship maintained with institutions in countries under total US trade embargo (Sudan).
- The practices for circumventing embargoes of some groups, in particular US groups."

With respect to the U.S. embargo of Sudan, the Paris compliance officer concluded that "Client managers have, however, been made aware of the embargoes and are supposed to turn to Compliance when they have a problem of interpretation."

32. On certain occasions, senior compliance and legal personnel expressed concerns about BNPP's continued business with Sudanese Sanctioned Entities, but were rebuffed. In August 2005, for example, a senior compliance officer at BNPP Geneva expressed concern about the use of satellite banks and emphasized the unusual nature of these operations given the fact that BNPP Geneva was not typically in the business of providing correspondent banking services. In an email sent to legal, business and compliance personnel at BNPP Geneva, the senior compliance officer warned: "As I understand it, we have a number of Arab Banks (nine identified) on our books that only carry out clearing transactions for Sudanese banks in dollars. . . . This practice effectively means that we are circumventing the US embargo on transactions in USD by Sudan." In response to another e-mail voicing the same concern, a high-level Geneva employee explained that these transactions had the "full support" of management at BNPP Paris:

> I see that certain questions are coming back to the surface on the way in which we are processing these transactions. I remember when you . . . made me meet the Minister of Finance of Sudan and the President of the [Sudanese Government Bank 1], it had been specified that all business activity – meaning in passing – the Minister and the President had shown themselves to be very satisfied – and it had received the full support of our General Management in Paris.

33. In September 2005, senior compliance officers at BNPP Geneva arranged a meeting of BNPP executives "to express, to the highest level of the bank, the reservations of the Swiss Compliance office concerning the transactions executed with and for Sudanese customers." The meeting was attended by several senior BNPP Paris and Geneva executives. At

the meeting, a senior BNPP Paris executive dismissed the concerns of the compliance officials and requested that no minutes of the meeting be taken.

BNPP's Knowledge of Its Illicit Conduct

34. In interviews with outside counsel for BNPP, several BNPP employees who were involved in or had knowledge of BNPP's business with Sudan claimed that they did not believe that U.S. sanctions laws applied or could be applied to foreign banks, particularly if transactions involving Sanctioned Entities were processed through an unaffiliated U.S. bank, as opposed to BNPP New York. This view of the reach of U.S. sanctions, while incorrect, was supported in part by a legal memorandum from U.S. Law Firm 1 received by BNPP in October 2004 regarding the general applicability of U.S. sanctions (the "2004 Legal Opinion"). The 2004 Legal Opinion made it clear that U.S. sanctions laws did, in fact, apply to all U.S. dollar transactions cleared in the United States, including those initiated by foreign banks. However, the opinion also suggested that U.S. authorities might not be able to penalize BNPP itself for participating in prohibited transactions if no U.S. branch of BNPP was involved. Specifically, the opinion stated that "transactions between non-U.S. parties cleared by U.S. banking institutions (including BNPP's New York branch) are subject to the provisions in OFAC's sanctions regimes against Cuba, Iran, Syria and Sudan, and to penalties for any violations of these regulations." However, "[i]f a non-U.S. BNPP entity were to initiate a U.S. dollar payment to a payee domiciled in Cuba, Sudan or Iran through a U.S. bank not affiliated with BNPP, U.S. sanctions should not apply to BNPP (assuming no involvement by any U.S. person of BNPP), but U.S. sanctions would call for the payment to be frozen or blocked by the U.S. bank." Senior legal and business officials at BNPP have claimed that, pursuant to this legal opinion, they believed that BNPP would not face penalties under U.S. sanctions laws so long as transactions

with Sanctioned Entities cleared through U.S. Bank 1 or another unaffiliated bank, and not through BNPP New York.

35. However, to the extent that BNPP employees relied on this 2004 legal opinion to justify BNPP's conduct regarding Sudan, by the summer of 2006, it became clear that BNPP could not, in fact, escape the reach of U.S. sanctions simply by having transactions cleared through an unaffiliated U.S. bank. In May 2006, BNPP received an additional legal opinion from a U.S. law firm ("U.S. Law Firm 2"), which specifically warned BNPP that if the bank were to omit relevant identifying information in U.S. dollar payments sent to the United States, with the objective of avoiding U.S. economic sanctions, BNPP could be subjecting itself to various U.S. criminal laws. In March and June 2006, BNPP received two additional legal opinions from U.S. Law Firm 1, which informed BNPP that (a) U.S. sanctions could apply to BNPP even when the transactions were processed by U.S. Bank 1 instead of BNPP New York, and (b) U.S. authorities had become especially sensitive to the use of "cover payments" by foreign banks that omitted underlying descriptive details about the nature of transactions, and advised BNPP to "ensure that they have adequate procedures in place to guard against any abuses of cover payment messages that could cause their U.S. operations to engage in prohibited transactions under U.S. sanctions." In July 2006, BNPP issued a policy across all its subsidiaries and branches that acknowledged the applicability of U.S. sanctions to non-U.S. banks. The policy stated that "if a transaction is denominated in USD, financial institutions outside the United States must take American sanctions into account when processing their transactions."

36. Accordingly, by July 2006 at the latest, it was clear that BNPP could no longer justify its transactions with Sanctioned Entities based upon an incorrect assertion that U.S. sanctions law did not apply to banks located outside the United States. Nevertheless, BNPP

continued to willfully process thousands of transactions with Sanctioned Entities through the United States for nearly another year, with a total value in excess of $6 billion – while taking steps to hide the true nature of these transactions from both BNPP New York and other U.S. correspondent banks.

37. BNPP continued to process transactions involving Sudanese Sanctioned Entities – despite being well aware that its conduct violated U.S. law – because the business was profitable and because BNPP Geneva did not want to risk its longstanding relationships with Sudanese clients. For example, in a July 2006 Credit Committee Meeting of BNPP's general management, despite expressing a concern about BNPP's role in processing U.S. dollar transactions with Sudanese Sanctioned Entities BNPP's senior compliance personnel signed off on the continuation of the transactions. An email summarizing that meeting explained that "[t]he relationship with this body of counterparties is a historical one and the commercial stakes are significant. For these reasons, Compliance does not want to stand in the way of maintaining this activity for ECEP and [BNPP Geneva] . . . . Compliance has also issued the following recommendations: . . . Strictly respect the U.S. embargo, the protection of 'US. citizens' and the E.U. embargo. Do not tolerate any favor or arrangement within these rules." Compliance's recommendations were not followed.

38. In November 2006, three BNPP Geneva employees drafted a memorandum that explained: "the 'clearing' activity of USD correspondents . . . is of real significance in relation to our activity in Sudan. . . . The fundamental importance of these [satellite bank] accounts lies in the fact that they allow us to receive incoming funds from Sudanese banks as cover for their commercial transactions on our books . . . . Moreover . . . we maintain commercial relations with these [satellite] banks which offer significant commercial potential, not only in connection

with Sudan." In February 2007, a senior BNPP Paris compliance officer specifically recognized the significance of the Sudanese business for BNPP Geneva:

> For many years, the Sudan has traditionally generated a major source of business for BNPP Geneva including transactions such as investment held on deposit. The existence of a dedicated desk for this region, GC8, for which the Sudan is one of the largest customers, relationships developed with directors of Sudanese financial institutions and traditional practices have over the years led to a major source of income, which is now recurring income.

39. At the same time that compliance and business personnel within BNPP were emphasizing the importance of the Sudanese business to BNPP Geneva's operations, certain senior compliance officers at BNPP Paris made appeals to BNPP Geneva to discontinue the U.S. dollar business with Sudan. In February 2007, for example, a senior BNPP Paris compliance officer told business managers at BNPP Geneva that U.S. dollar transactions cleared through unaffiliated U.S. banks could be viewed as a "serious breach." Similarly a BNPP Geneva compliance officer wrote to BNPP Paris and BNPP Geneva executives that the use of U.S. Bank 1 to process transactions with Sanctioned Entities could be interpreted as a "grave violation." Despite these warnings, the transactions continued.

40. In May 2007, senior officials at OFAC met with executives at BNPP New York and expressed concern that BNPP Geneva was conducting U.S. dollar business with Sudan in violation of U.S. sanctions. Shortly after this meeting, OFAC requested that BNPP conduct an internal investigation into transactions with Sudan initiated by BNPP Geneva that may have violated U.S. sanctions, and asked that BNPP report its findings to OFAC. It was not until this intervention by OFAC that BNPP made the decision, in June 2007, to stop its U.S. dollar business with Sudan.

41. BNPP's willingness to engage in U.S. dollar transactions involving Sudan significantly undermined the U.S. embargo and provided the Sudanese government and

Sudanese banks with access to the U.S. financial system that they otherwise would not have had. Even after July 2006, when it became clear to BNPP that its U.S. dollar transactions with Sudanese Sanctioned Entities were illegal, and that U.S. law did in fact apply to BNPP's conduct, BNPP continued to process U.S. dollar transactions with Sudanese Sanctioned Entities for nearly another year. Only after OFAC launched an inquiry into the Sudanese transactions in the spring of 2007 did BNPP cease this activity. From July 2006 until BNPP ended its Sudanese business in June 2007, BNPP knowingly, intentionally and willfully processed a total of approximately $6.4 billion in illicit U.S. dollar transactions involving Sudan.

Violations of the Iranian Sanctions

42. From 2006 to 2012, BNPP Paris processed payments on behalf of a client ("Iranian Controlled Company 1") in connection with three letters of credit that facilitated the provision of liquefied petroleum gas ("LPG") to an entity in Iraq.

43. While Iranian Controlled Company 1 was registered as a corporation in Dubai, it was controlled by an Iranian energy group based in Tehran, Iran ("Iranian Energy Group 1"). BNPP's "know your customer" ("KYC") documentation on Iranian Controlled Company 1 showed that it was 100% owned by Iranian Energy Group 1. BNPP's documentation also showed that Iranian Energy Group 1, and in turn Iranian Controlled Company 1, was 100% owned by an Iranian citizen.

44. The transactions involving Iranian Controlled Company 1 began in approximately December 2006, at a time when the U-Turn Exemption permitted certain transactions involving Iranian entities so long as those transactions were between two non-U.S., non-Iranian banks. BNPP's transactions involving Iranian Controlled Company 1 initially complied with the U-Turn Exemption. BNPP issued its "Revised Group Policy on Iran" on September 24, 2007, and OFAC revoked the U-Turn Exemption in November 2008. Despite this new bank policy and the

revocation, BNPP continued to process U.S. dollar transactions involving Iranian Controlled Company 1 through November 2012.

45. In early 2010, the New York County District Attorney's Office and the U.S. Department of Justice jointly approached BNPP regarding its involvement in transactions with sanctioned entities. Despite agreeing to commence an internal investigation into its compliance with U.S. sanctions and cooperate fully with U.S. and New York authorities, BNPP continued to process these transactions on behalf of Iranian Controlled Company 1.

46. Prior to December 2011, BNPP employees who were involved in the transactions may not have been fully aware of the extent to which Iranian Controlled Company 1 was controlled by, and effectively a front for, an Iranian entity. In December 2011, however, a U.K. Bank ("U.K. Bank 1") blocked a payment involving Iranian Controlled Company 1 and informed BNPP that it would no longer do business with Iranian Controlled Company 1 because of its ties to Iran – thus putting BNPP on notice, to the extent that it was not before, that transactions with Iranian Controlled Company 1 were impermissible. Moreover, in January 2012, a U.S. branch of a German bank ("German Bank 1") rejected a payment made by BNPP on Iranian Controlled Company 1's behalf because German Bank 1's research showed that Iranian Controlled Company 1 was "controlled from Iran." And in June 2012, a BNPP Paris compliance officer noted that Iranian Controlled Company 1 was sending payments from its account at BNPP Paris to its account at an Indian bank ("Indian Bank 1") with "known links to Iran." Nevertheless, despite these warnings – and despite claiming to be cooperating fully with the Government's investigation into sanctions violations – BNPP continued to process U.S. dollar transactions for Iranian Controlled Company 1 until November 2012.

47. From December 2011, when U.K. Bank 1 blocked the payment involving Iranian Controlled Company 1 and in doing so put BNPP on notice of the impermissibility of the transactions, through November 2012, when the transactions ended, BNPP knowingly, intentionally and willfully processed a total of approximately $586.1 million in transactions with Iranian Controlled Company 1, in violation of U.S. sanctions against Iran.

48. In addition to the transactions with Iranian Controlled Company 1, in 2009, BNPP knowingly, intentionally and willfully processed approximately $100.5 million in U.S. dollar payments involving an Iranian oil company following the revocation of the U-Turn Exemption, in violation of U.S. sanctions. The payments were in connection with six letters of credit issued by BNPP that financed Iranian petroleum and oil exports – and the payments were made even after compliance personnel at BNPP Paris alerted ECEP employees that the U.S. dollar payments associated with these letters of credit "are no longer allowed by American authorities."

Violations of the Cuban Sanctions

Overview

49. From at least 2000 up through and including 2010, BNPP, through its Paris headquarters, conspired with numerous Cuban banks and entities as well as financial institutions outside of Cuba to provide U.S. dollar financing to Cuban entities in violation of the U.S. embargo against Cuba. During the course of its illicit conduct, BNPP processed thousands of U.S. dollar denominated financial transactions with Sanctioned Entities located in Cuba, with a total value in excess of $1.747 billion, including transactions involving a Cuban SDN with a value in excess of $300 million.

50. BNPP carried out transactions with Cuban Sanctioned Entities and evaded the U.S. embargo principally through BNPP's participation in several U.S. dollar-denominated credit facilities designed to provide financing to various Cuban entities (the "Cuban Credit Facilities").

Similar to BNPP's means of circumventing the U.S. embargo against Sudan, BNPP employees directed that transactions involving Cuba omit references to Cuba in payment messages to prevent the transactions from being blocked when they entered the United States. On the occasions when payments were identified and blocked when they entered the United States, BNPP at times stripped them of any mention of Cuba and then resubmitted the payments through an unaffiliated U.S. bank without that bank's knowledge of the resubmittal. BNPP also employed a complicated "fronting" structure to disguise from U.S. banks the true nature of the transactions with Cuban parties, similar in some respects to BNPP's use of satellite banks to disguise the true nature of transactions with BNPP Geneva's Sudanese clients.

51. BNPP's efforts to evade the U.S. embargo against Cuba continued long after the illicit nature of the transactions was made clear to numerous compliance, legal and business personnel at BNPP Paris. Indeed, high-level business managers at BNPP Paris overruled explicit concerns from compliance personnel in order to allow the Cuban business to continue, valuing the bank's profits and business relationships over adherence to U.S. law.

BNPP's Methods of Evading U.S. Sanctions Against Cuba

52. Beginning at least as early as 2000 and continuing through 2010, BNPP participated in eight Cuban Credit Facilities that involved U.S. dollar clearing and that were not licensed by OFAC. The Cuban Credit Facilities were managed out of BNPP Paris, and each facility processed hundreds (and in some cases thousands) of U.S. dollar transactions in violation of U.S. sanctions. The purpose of the credit facilities was to provide financing for Cuban entities and for businesses seeking to do U.S. dollar business with Cuban entities. One such facility, for example, involved U.S. dollar loans to a Dutch company to finance the purchase of crude oil products destined to be refined in and sold to Cuba. Another credit facility involved U.S. dollar

loans for one of Cuba's largest state-owned commercial companies ("Cuban Corporation 1"), which was designated by OFAC as an SDN.

53. The Cuban Credit Facilities were structured in highly complicated ways in order to conceal the involvement of the Cuban parties. In a April 2000 credit application for one of the Cuban Credit Facilities, for example, two BNPP Paris employees acknowledged the "[l]egal risk linked to the American embargo" and explained that the risk had been "resolved" through the use of a "fronting" structure that layered the U.S. dollar transactions using accounts at a different French bank ("French Bank 1") and concealed the involvement of Cuban entities. In a similar structure used for another Cuban Credit Facility, payments from a Cuban entity to BNPP Paris were not made directly but instead passed through several layers or steps. First, the payment from the Cuban entity would be made from its account at French Bank 1 to a BNPP Paris bank account at French Bank 1. As a book-to-book transfer – *i.e.*, a transfer from one account to another within the same financial institution – no U.S. dollar clearing would occur. Second, BNPP Paris would transfer the money from its account at French Bank 1 to a transit account held at BNPP Paris itself. This bank-to-bank transfer would result in U.S. dollar clearing, with the payment typically being transferred through BNPP NY or on occasion by U.S. Bank 1. In order to prevent BNPP NY's OFAC filters from blocking the transactions, BNPP Paris would make no mention of Cuba or the Cuban entities involved. Third, BNPP Paris would conduct a book-to-book transfer from its own BNPP Paris account to an account held by the Cuban entity at BNPP Paris. Although BNPP Paris would list its own transit account as the beneficiary of the transaction passing through the United States, most of these payments bypassed the transit account and were credited directly to the Cuban entity's account at BNPP Paris. In interviews with the Government, ECEP employees at BNPP Paris acknowledged that this complex structure

of payment transfers had no business purpose other than to conceal the connection to Cuba in the payments processed through the United States.

54. For these fronting structures to work as intended – *i.e.*, to ensure that U.S. authorities and U.S.-based banks, including BNPP New York, did not learn of the Cuban involvement in the transactions – it was essential that the wire transfer messages that were transmitted through New York did not contain any reference to Cuba or a Cuban entity. Accordingly, BNPP agreed with Sanctioned Entities in Cuba, and with other banks involved in the credit facilities, not to mention the Sanctioned Entities' names in U.S. dollar transactions processed through the United States. Indeed, BNPP gave Cuban clients and other participants in the credit facilities careful instructions as to how to tailor payment messages to evade the U.S. embargo. For example, in January 2006, an ECEP employee at BNPP Paris wrote to two other ECEP employees in relation to one of the Cuban Credit Facilities: "I think we need to point out to [French Bank 1] that they should not mention CUBA in their transfer order." One of the ECEP employees responded: "[French Bank 1] knows very well that Cuba or any other Cuban theme must not be mentioned in the transfer orders and I reminded them about this over the phone this morning." The first ECEP employee then responded: "Even if [French Bank 1] 'knows very well,' I prefer for us to write this down each time we ask for a transfer concerning our Cuban transactions." Similarly, in an email exchange in 2007, a BNPP Paris employee counseled an employee of a Cuban Sanctioned Entity not to mention the name of a Cuban bank on a payment message, or else "these[] funds risk to be stopped by United State[s] further to the embargo." In response, the employee of the Cuban Sanctioned Entity stated that the entity would cancel the already-prepared wire instruction, and instead would execute the transaction "following your instructions."

55. Despite BNPP's careful instructions as to how to tailor wire transfer messages without mentioning Cuba, in February 2006, three payments involving Cuban Credit Facility 1 were identified and blocked by banks in the United States because back office employees had inadvertently made reference to Cuban entities in the wire transfer messages. Two of the payments were blocked by BNPP New York and one was blocked by U.S. Bank 1.

56. BNPP's handling of these blocked payments was indicative of the bank's cavalier – and criminal – approach to compliance with U.S. sanctions laws and regulations. Rather than use the blocking of these payments as an impetus to come into compliance with U.S. sanctions, BNPP decided to strip the wire messages of references to Cuban entities and resubmit them as a lump sum through U.S. Bank 1, in order to conceal from U.S. Bank 1 not only the Cuban involvement in the transactions, but also the fact that the resubmitted payment was comprised of a payment U.S. Bank 1 had already blocked. BNPP took these steps out of fear that if OFAC learned of the blocked payments, BNPP's entire history with the Cuban Credit Facilities could have been exposed and could have resulted in BNPP facing sanctions by U.S. authorities.

57. Shortly after the payments were blocked but before they were resubmitted, in early March 2006, a senior attorney at BNPP Paris (the "Senior BNPP Paris Attorney") reached out to U.S. Law Firm 1 for advice on the blocked payments and explained: "My concern comes from the fact that we cannot rule out that we would have to explain to OFAC that this is part of a long standing facility with Cuban entities. Could that trigger a retroactive investigation of all prior payments so that OFAC would check that all payments cleared through the US dollar system relate to licensed transactions?" On March 6, 2006, U.S. Law Firm 1 responded with a memorandum that not only indicated that the transactions violated U.S. sanctions – regardless of whether they had been processed by BNPP New York or U.S. Bank 1 – but also stated: "The

risk of serious regulatory sanction . . . is such that BNP Paribas should consider discontinuing participation in any such U.S. dollar facility." An attorney at BNPP Paris who reported to the Senior BNPP Paris Attorney (the "Junior BNPP Paris Attorney") forwarded this memorandum to a compliance officer at CIB, only to be reprimanded by the Senior BNPP Paris Attorney, who insisted that "[i]t was a draft memo and should not have been distributed to just anyone. We now no longer have control over its status. Do not do anything more on this file without talking to me about it." The Junior BNPP Paris Attorney responded that the compliance officer would "delete the e-mail." The Senior BNPP Paris Attorney then wrote to U.S. Law Firm 1 and instructed it to "please suspend any further work on this file."

58. Almost immediately after the three blocked payments were stripped and resubmitted, BNPP decided to process the U.S. dollar transactions for this facility through U.S. Bank 1, instead of BNPP New York. A compliance officer at BNPP Paris, referring to the blocked transactions, explained in an internal email that "[t]o prevent this problem, and as a lesser evil, CIB Compliance advocates standardizing all this clearing to a bank other than BNPP NY (U.S. Bank 1, in this case)." BNPP Paris ultimately directed 188 payments for this facility, totaling approximately $37 million, to U.S. Bank 1 as its U.S. dollar clearer, without informing U.S. Bank 1 that the transactions involved Cuban Sanctioned Entities. BNPP made the same decision to process transactions through U.S. Bank 1 for several other U.S. dollar denominated Cuban Credit Facilities.

BNPP's Knowledge of Its Illicit Conduct

59. In the same way that BNPP employees involved in the transactions with Sudanese Sanctioned Entities claimed that they did not believe that U.S. sanctions laws applied or could be applied to foreign banks, several BNPP employees who were involved in or had knowledge of the Cuban Credit Facilities claimed in interviews with the Government and with outside counsel

for BNPP that they did not appreciate that U.S. sanctions law applied to transactions run out of BNPP Paris. Several of these employees further stated that, in their view, the instructions to omit references to Cuban entities from wire transfer messages were not intended to evade U.S. law, but rather were based on a non-criminal desire to have the transactions processed through the United States without incident, as they would otherwise likely be blocked even if they were ultimately permissible.

60. To the extent that BNPP employees genuinely held this incorrect view of the reach of U.S. sanctions, by October 2004, BNPP and the individuals principally responsible for the Cuban Credit Facilities were on clear notice that U.S. sanctions did, in fact, apply to all U.S. dollar transactions involving Sanctioned Entities cleared in the United States, even if the transactions were directed from a non-U.S. bank such as BNPP Paris. As described above, in October 2004, BNPP received the 2004 Legal Opinion from U.S. Law Firm 1, which was disseminated widely among executives at BNPP Paris and within ECEP. The 2004 Legal Opinion explicitly stated that U.S. sanctions laws did, in fact, apply to all U.S. dollar transactions, including those initiated by foreign banks. Specifically, the opinion stated, with regard to the U.S. sanctions against Cuba, that, "U.S. dollar transactions of non-U.S. banking institutions with Cuban counterparties cleared inside the United States would be subject to the Cuba regulations and blocked . . . . [A]ny BNPP transaction with a Cuban counterparty cleared inside the United States by any bank . . . would fall within the scope of the Cuba sanctions." Thus, the opinion made perfectly clear that the Cuban Credit Facilities – which involved "U.S. dollar transactions of non-U.S. banking institutions with Cuban counterparties cleared inside the United States" – violated U.S. sanctions. Moreover, while the 2004 Legal Opinion left some ambiguity as to whether BNPP could face criminal liability if its transactions with Sanctioned

Entities were cleared through an unaffiliated financial institution, as opposed to BNPP New York, the Cuban Credit Facilities were cleared almost exclusively through BNPP New York. Indeed, from 2002 through 2010, more than 96% of the transactions related to the Cuban Credit Facilities were cleared through BNPP New York.

61. Following the receipt of the 2004 Legal Opinion, BNPP Paris compliance, legal and business personnel acknowledged in numerous discussions that the Cuban Credit Facilities did not comply with the U.S. embargo against Cuba, or with BNPP's stated policy that it did not conduct U.S. dollar business with Cuba. A January 2005 e-mail from a BNPP New York compliance officer to a senior BNPP Paris compliance officer stated: "US OFAC laws state that a US entity cannot send or receive funds to/from Cuba. It does not matter that the traders are overseas . . . no USD denominated anything can be transacted with OFAC prohibited entities." In February 2005, BNPP's standardized instructions for the processing of payments related to Cuba stated: "COUNTRY SUBJECT TO A U.S. EMBARGO. The U.S. and foreign banks established on U.S. territory are notably required to proceed with the blocking of assets concerning countries or individuals under U.S. embargo. Any transfer in USD is subject to this regulation. One should thus take care not to proceed with such transactions."

62. In December 2005, ABN AMRO Bank, N.V. ("ABN AMRO"), a Dutch bank, was fined by U.S. regulators for violations of U.S. sanctions laws. Specifically, ABN AMRO's branch in New York had processed non-transparent payment messages sent by ABN AMRO's global branch network for customers in sanctioned countries. On December 19, 2005, as a result of this conduct, ABN AMRO entered into a consent cease and desist order with regulators, including FRB-NY and DFS, and paid a combined civil monetary penalty of $80 million to the regulators, OFAC, and the Financial Crimes Enforcement Network.

63. In January 2006, a compliance officer at BNPP Paris analyzed BNPP's compliance with U.S. sanctions in light of the ABN AMRO settlement and wrote the following to a group of senior BNPP Paris compliance and business personnel:

> Does ECEP run the risk of an allegation for circumventing the embargo? A practice does exist which consists in omitting the Beneficiaries'/Ordering party's contact information for USD transactions regarding clients from countries that are under U.S. embargo: Sudan, Cuba, Iran. This avoids putting BNPP NY in a position to uncover these transactions, to block them, and to submit reports to the regulator. This monitoring is practiced especially by the Operational Center in Paris, but it also exists in other centers. However, the fact that SWIFT messages are not referencing the final Beneficiary or the Initiating Party for the movement of funds does not protect the bank totally, because the investigative capacities of U.S. banks . . . are more and more sophisticated. . . . *Concerning Cuba – It is true that we are not completely in line with the text of the U.S. regulations.*

(Emphasis added). Also in January 2006, an ECEP employee at BNPP Paris asked a compliance officer at BNPP Paris, "when we lend money to the Cubans, the loans are generally made out in Dollars, except in a few exceptional cases. Could we be reprimanded, and if so, based on what?" The compliance officer responded to the ECEP employee and several other senior ECEP employees at BNPP Paris with a clear warning:

> These processing transactions obliges us to obscure information regarding the USD (BNPP NY) Clearer, and it is a position which BNPP is not comfortable with, and which, of course, offers a risk to its image and, potentially, a risk for reprisals from US authorities if this behavior was discovered, even if such could not occur directly . . . . In a way, a risk which we thought was non-existent is becoming a little less so.

64. In May 2006, the executive at BNPP New York responsible for ethics and compliance expressed his concern about the use of cover payments to conceal the involvement of Sanctioned Entities in transactions processed by BNPP New York. In response, a CIB Paris compliance officer wrote an e-mail to several senior BNPP Paris compliance officers that stated:

> If [the New York head of ethics and compliance] only offers the choice between abandoning the [cover payment] for movements in favor of clientele or promising BNPP NY we do not wire transfer in USD concerning Cuba, Iran, Sudan or Syria, I only see the solution of going through another bank than BNPP NY for all

> transactions to these destinations. The other, less gratifying alternatives are to stop working in USD in these zones or to disguise the reality with the no win situation between telling stories to BNPP NY or to [U.S. Bank 1].

65. In January 2007, a compliance officer at BNPP Paris sent a memo to the head of compliance at BNPP Paris entitled "Respect of Cuban Embargo," that noted that BNPP had been bypassing the U.S. embargo against Cuba to the extent that the bank was holding U.S. dollar accounts with Cuban banks and permitting Cuban entities to borrow in U.S. dollars. The compliance officer concluded that "[t]otal transparency is not currently possible" with respect to Cuba because Cuban Credit Facilities still remained U.S. dollar denominated, and "[c]hanging the payment currency during the process with a pool of participants would be long and costly."

BNPP's Decision To Continue the Credit Facilities Regardless of U.S. Sanctions

66. Beginning in late 2006, compliance personnel at BNPP Paris sought to convince employees in the ECEP business line to convert the U.S. dollar Cuban Credit Facilities to Euros or another currency. Despite these efforts, certain of the Cuban Credit Facilities remained denominated in U.S. dollars for several more years, and U.S. dollar transactions in one Cuban Credit Facility continued routinely into 2010. Senior employees at BNPP Paris, including the Global Head of ECEP, allowed these credit facilities to remain in U.S. dollars, despite the fact that they violated U.S. law, due to BNPP's longstanding relationships with Cuban entities and the perceived cost to BNPP of converting the facilities into Euros. In May 2007, a compliance officer at BNPP Paris sent a memo to senior BNPP Paris compliance and ECEP personnel entitled "Compliance with the Cuba embargo." The memo addressed the fact that while several of the Cuban Credit Facilities had been successfully converted to Euros, one credit facility, involving hundreds of millions of dollars, remained denominated in U.S. dollars. The memo laid out two solutions for dealing with that facility: (1) "[s]et this facility aside from the official inventory with regard to the US so long as it cannot be converted into Euros or another

currency;" or (2) "[i]f Group Compliance needs to be totally transparent with regard to the US authorities, the facility currency will have to be modified. . . . [T]his option would trigger off an onerous process of negotiations with the banks and the borrowers, and ECEP will not have total control over the outcome: our decision to be OFAC compliant is a minor concern for the other parties." The memo concluded that "[g]iven its marginal character, we suggest that this facility should be kept silent, it is totally discreet and is reimbursed via internal wire transfers." The memo included a handwritten note on top of the first page indicating a decision was made by the Head of Compliance on June 7, 2007 in which he selected "option B," which noted that if the Cuban transactions were to be totally transparent "the facility currency will have to be modified."

67. By 2008, compliance officers at BNPP increasingly expressed frustration with ECEP's failure to convert the remaining Cuban Credit Facility to Euros or another non-U.S. dollar currency in order to comply with U.S. sanctions. On February 11, 2008, BNPP implemented a policy that prohibited all new business with Cuba. Despite this policy, two Cuban facilities remained U.S. dollar denominated after May 2008.

68. In September 2008, a compliance officer at BNPP Paris wrote to several senior compliance officers at BNPP: "[The Cuban Credit Facility], for which we have for two years now been putting pressure on ECEP to have the USD reference abandoned, is more or less at a dead-end, and we know it will be impossible to modify without giving up something in exchange. . . . [T]he subsistence of [the Cuban Credit Facility] in USD [] prevents [BNPP's] situation on Cuba from being totally 'compliant.'"

69. Despite the pressure from compliance personnel to convert the remaining Cuban Credit Facility into Euros, BNPP continued to receive U.S. dollar payments related to the facility

until early 2010. The choice by ECEP to continue violating U.S. sanctions laws with regard to this facility was due in part to BNPP's desire to continue to do business in Cuba. In a December 2009 internal memorandum, an ECEP employee at BNPP Paris wrote that one of the Cuban companies involved in the remaining credit facility was "a historic client of BNPP Paribas and a major player in the Cuban economy . . . [and] a strategic customer with whom we intend to arrange new financing secured by offshore flows."

70. As a result of BNPP's desire to conduct U.S. dollar business with Cuban Sanctioned Entities, from October 2004 – when the 2004 Legal Opinion was disseminated throughout BNPP Paris – until BNPP's final U.S. dollar transactions with Cuban entities in early 2010, BNPP knowingly, intentionally and willfully processed illicit U.S. dollar transactions involving Cuba with a total of value of approximately $1.747 billion.

BNPP's Failure To Timely Provide Relevant Information to the Government

71. BNPP was on notice of law enforcement concerns regarding its potential sanctions violative conduct in as early as December 2009, when it was contacted by the New York County District Attorney's Office. In a subsequent meeting, in early 2010 between BNPP and the U.S. Department of Justice and the New York County District Attorney's Office, BNPP agreed to conduct an internal investigation into business conducted with countries subject to U.S. sanctions at a number of its subsidiaries and branches and covering the time period January 1, 2002 through December 31, 2009, including in Paris, London, Milan, Rome and Geneva. The review was expanded after BNPP discovered instances in which its illicit conduct continued past the original agreed-upon review period.

72. Despite receiving legal opinions in 2006 that identified potential sanctions-violative conduct, receiving notice of the same from law enforcement in late 2009, and beginning its internal investigation in early 2010, BNPP failed to provide the Government with meaningful

materials from BNPP Geneva until May 2013, and the materials were heavily redacted due to bank secrecy laws in Switzerland. BNPP's delay in producing these materials significantly impacted the Government's ability to bring charges against responsible individuals, Sudanese Sanctioned Entities, and the satellite banks.

73. Furthermore, in 2006, a BNPP whistleblower in London raised concerns internally about a U.S. citizen who served as a BNPP executive and was facilitating transactions with the government of Iran, in direct contravention of IEEPA. This illegal conduct stopped in April 2006. BNPP did not disclose any information to the Government about the whistleblower or the executive until December 2011, almost two years after BNPP began its internal investigation and eight months after the statute of limitations against this individual expired.

74. In other respects, BNPP has provided substantial cooperation to the Government by conducting an extensive transaction review; identifying potentially violative transactions; responding to numerous inquiries and multiple requests for information; providing voluminous relevant records from foreign jurisdictions; signing tolling agreements with the Government and agreeing to extend such tolling agreements on multiple occasions; conducting interviews with dozens of current and former employees in Paris, London, New York, Geneva, Rome and Milan; and working with the Government to obtain assistance via a Mutual Legal Assistance Treaty ("MLAT") with France, among other things. BNPP also has now taken several corrective measures to enhance its sanctions compliance.

Dated: New York, New York
June 30, 2014

PREET BHARARA
United States Attorney

By: _____
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Christine I. Magdo
Micah W. J. Smith
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LESLIE CALDWELL
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Criminal Division

JAIKUMAR RAMASWAMY
Chief, Asset Forfeiture and Money Laundering Section

By: _____
Craig Timm
Jennifer E. Ambuehl
Trial Attorneys
Asset Forfeiture and Money Laundering Section, Criminal Division
(202) 514-1263

AGREED AND CONSENTED TO:

After consulting with its attorney and pursuant to the plea agreement entered into this day between the defendant, BNPP, and the United States, I, the designated corporate representative authorized by the Board of Directors of BNPP, hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

BNP Paribas S.A.
by GEORGES DIRAN

June 28, 2014
DATE

APPROVED:

We are counsel for BNPP in this case. We have carefully reviewed the above Statement of Facts with the Board of Directors of BNPP. To our knowledge, the Board of Directors' decision to stipulate to these facts is an informed and voluntary one.

June 28, 2014
DATE

Karen Patton Seymour, Esq.
Sullivan & Cromwell LLP
Attorneys for BNP Paribas S.A.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA	:	CONSENT PRELIMINARY ORDER OF FORFEITURE/MONEY JUDGMENT
-v.-	:	
BNP PARIBAS, S.A.,	:	14 Cr. ___ (___)
Defendant.	:	

WHEREAS, on or about _ _____, 2014, BNP PARIBAS, S.A., (the "defendant"), was charged in a one-count Information, 14 Cr. ___ (___) (the "Information"), with conspiracy to commit an offense against the United States in violation of Title 18, United States Code, Section 371, to wit, conspiring to violate the International Emergency Economic Powers Act, codified at Title 50, United States Code, Section 1701 *et seq.*, and regulations issued thereunder, and the Trading with the Enemy Act, codified at Title 50, United States Code Appendix, Section 1 *et seq.*, and regulations issued thereunder ("Count One");

WHEREAS, the Information included a forfeiture allegation as to Count One, seeking forfeiture to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), of any and all property, real and/or personal, that constitutes or is derived from proceeds traceable to the commission of the offense;

WHEREAS, on ___ _____, 2014, the defendant pled guilty to Count One of the Information and admitted the forfeiture allegation, pursuant to an agreement (the "Plea Agreement") with the Office of the United States Attorney for the Southern District of New York and the Asset Forfeiture and Money Laundering Section of the Criminal Division of the United

States Department of Justice ("the Government"), wherein the defendant admitted the forfeiture allegation with respect to Count One of the Information and agreed to forfeit to the United States, pursuant to Title 18, United States Code, Section 981, and Title 28, United States Code, Section 2461, a sum of money equal to $8,833,600,000.00 in United States currency, representing the amount of proceeds traceable to the violations set forth in Count One of the Information (the "Total Forfeiture Amount");

WHEREAS, the defendant consents to a money judgment equal to the Total Forfeiture Amount in United States currency;

WHEREAS, the Government agrees, pursuant to the Plea Agreement, that payments the defendant is required to make in connection with its concurrent settlement of the related criminal action brought by the New York County District Attorney's Office, and the related regulatory actions brought by the Board of Governors of the Federal Reserve System and the New York State Department of Financial Services (the "Related Settlements"), the total of which is not to exceed $4,994,800,000.00, as set forth in the Plea Agreement, shall be credited against the money judgment upon the Government's receipt of proof of such payments;

IT IS HEREBY STIPULATED AND AGREED, by and between the United States of America, by its undersigned attorneys, and the defendant, by and through its counsel, Karen Patton Seymour, Esq., that:

1. As a result of the offense charged in Count One of the Information, to which the defendant pled guilty, a money judgment in the amount of $8,833,600,000.00 in United States currency (the "Money Judgment") shall be entered against the defendant.

2. Pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure, this Consent Preliminary Order of Forfeiture/Money Judgment is final as to the defendant, BNP

PARIBAS, S.A., at sentencing, and shall be deemed part of the sentence of the defendant, and shall be included in the judgment of conviction therewith.

3. All payments on the outstanding Money Judgment, less the credited amounts paid by BNPP in connection with the Related Settlements, shall be made to the Government, pursuant to instructions provided by the Government, by electronic wire transfer within 30 days of the Plea Agreement becoming effective.

4. Upon execution of this Consent Preliminary Order of Forfeiture/Money Judgment, and pursuant to Title 21, United States Code, Section 853, the Government shall be authorized to deposit the payments on the Money Judgment into the United States Treasury Suspense Account. Upon sentencing, the United States shall have clear title to such forfeited property.

5. If the sentencing judge rejects the Plea Agreement or fails to impose a sentence consistent therewith and BNPP chooses to withdraw its plea of guilty pursuant to Fed. R. Crim. P. 11(c)(1)(C) and 11(d), this Consent Preliminary Order of Forfeiture/Money Judgment shall be vacated and any payments made on the outstanding Money Judgment to the Government shall be returned to BNPP.

6. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, upon entry of this Consent Preliminary Order of Forfeiture/Money Judgment, the Government is authorized to conduct any discovery needed to identify, locate or dispose of forfeitable property, including depositions, interrogatories, requests for production of documents and the issuance of subpoenas, pursuant to Rule 45 of the Federal Rules of Civil Procedure.

7. The Court shall retain jurisdiction to enforce this Consent Preliminary Order of Forfeiture/Money Judgment, and to amend it as necessary, pursuant to Rule 32.2(e) of the Federal Rules of Criminal Procedure.

8. The Clerk of the Court shall forward three certified copies of this Consent Preliminary Order of Forfeiture/Money Judgment to Assistant United States Attorney Sharon Cohen Levin, Chief of the Money Laundering and Asset Forfeiture Unit, United States Attorney's Office, One St. Andrew's Plaza, New York, New York 10007.

9. The signature pages of this Consent Preliminary Order of Forfeiture/Money Judgment may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. A facsimile or electronic image of the original signature of any party executing this Consent Preliminary Order of Forfeiture/Money Judgment shall be deemed an original signature and shall constitute an original as against the party whose signature appears in the facsimile or electronic image.

AGREED AND CONSENTED TO:

PREET BHARARA
United States Attorney for the
Southern District of New York
Attorney for United States

By: _____
Andrew D. Goldstein
Martin S. Bell
Christine I. Magdo
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6/30/2014
DATE

LESLIE CALDWELL
Assistant Attorney General
Criminal Division

JAIKUMAR RAMASWAMY
Chief, Asset Forfeiture and Money
Laundering Section

By: _____
Craig Timm
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Trial Attorneys
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(202) 514-1263

6/25/14
DATE

BNP PARIBAS, S.A.
Defendant

By _____
BNP Paribas, S.A.
By: GEORGES DIRAN

June 28, 2014
DATE

By: _____
Karen Patton Seymour, Esq.
Sullivan & Cromwell LLP
Attorneys for BNP Paribas, S.A.

June 28, 2014
DATE

SO ORDERED:

_____
HONORABLE
UNITED STATES DISTRICT JUDGE

_____
DATE

Exhibit D

BNP PARIBAS S.A.
LIMITED CERTIFICATE OF CORPORATE RESOLUTION

I, Philippe Bordenave, do hereby certify that I am the Acting Corporate Secretary of BNP Paribas S.A., a corporation duly organized and existing under the laws of France, and that the following is a complete and accurate copy of a resolution adopted by the Board of Directors of BNP Paribas S.A. at a meeting held on June 26, 2014 at which a quorum was present and resolved as follows:

> RESOLVED: That the Board of Directors has been advised of the contents of the Information and the proposed Plea Agreement and its attachments in the matter of the United States versus BNP Paribas S.A. including the Statement of Facts; consulted with legal counsel in connection with this matter; and voted to enter into the proposed Plea Agreement, Waiver of Indictment, and Stipulated Preliminary Order of Forfeiture/Money Judgment, to admit to the Statement of Facts, and to authorize BNP Paribas S.A. to plead guilty to the charge specified in the Information; and that Jean-Laurent Bonnafé of BNP Paribas S.A., as empowered under French law in this regard, is hereby authorized in his sole discretion, to negotiate, approve, and make the offer of plea and settlement of BNP Paribas S.A., attached hereto; in this connection, it is hereby certified that the aforementioned Officer is hereby authorized by law to delegate his authority to Georges Dirani, General Counsel of BNP Paribas S.A. to undertake such actions as he may deem necessary and advisable, including the execution of such documentation as may be required, in order to carry out the foregoing; and has hereby delegated this authority to Georges Dirani.

I further certify that the aforesaid resolution has not been amended or revoked in any respect and remains in full force and effect.

IN WITNESS WHEREOF, I have executed this Certification this 29th day of June, 2014.

By: _____

Philippe Bordenave
Acting Corporate Secretary
BNP Paribas S.A.

Exhibit 3

GEOFFREY S. BERMAN
United States Attorney for the
Southern District of New York
By: ALEXANDER WILSON
BENET KEARNEY
Assistant United States Attorneys
One Saint Andrew's Plaza
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA	:	
	:	
-v.-	:	**VERIFIED COMPLAINT FOR FORFEITURE**
$717,200,000 IN UNITED STATES CURRENCY,	:	18 Civ.
Defendant-*in-rem*.	:	

Plaintiff United States of America, by its attorney Geoffrey S. Berman, United States Attorney for the Southern District of New York, for its verified complaint, alleges, upon information and belief, as follows:

I. JURISDICTION AND VENUE

1. This action is brought pursuant to Title 18, United States Code, Section 981 by the United States of America seeking the forfeiture of $717,200,000 in United States currency (the "Defendant Funds" or the "defendant-*in-rem*").

2. This Court has jurisdiction pursuant to Title 28, United States Code, Section 1355.

3. Venue is proper under Title 28, United States Code, Section 1355(b)(1)(A) because certain actions and omissions giving rise to forfeiture took place in the Southern District

of New York and pursuant to Title 28, United States Code, Section 1395 because the Defendant Funds have been transferred to the Southern District of New York.

4. The Defendant Funds constitute proceeds of violations of the Trading with the Enemy Act ("TWEA"), Title 50, United States Code, Sections 4303, 4305, and 4315(a), and the Cuban Assets Control Regulations promulgated thereunder, Title 31, Code of Federal Regulations, Sections 515.201(a)(1), (c) and (d), and are thus subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C).

5. Following the entry of a final order forfeiting the Defendant Funds to the United States, one half of the Defendant Funds shall be transferred to the United States Victims of State Sponsored Terrorism Fund pursuant to the Justice for United States Victims of State Sponsored Terrorism Act, Title 34, United States Code, Section 20144.

II. BACKGROUND

6. From at least 2004, up through and including 2010, Société Générale S.A. ("SG") knowingly and willfully violated U.S. economic sanctions relating to Cuba, specifically TWEA and the Cuban Assets Control Regulations, by structuring, conducting and concealing U.S. dollar transactions using the U.S. financial system in connection with U.S. dollar credit facilities involving Cuba, including facilities provided to Cuban banks and other entities controlled by Cuba, and to Cuban and foreign corporations for business conducted in Cuba. On or about November 18, 2018, SG entered into a Deferred Prosecution Agreement (the "DPA") with the United States with respect to these violations (the DPA and the accompanying Statement of Facts are attached as Exhibit 1). As forth in greater detail in the Statement of Facts, SG engaged in more than $10 billion worth of sanctions-violating transactions valued through financial institutions located in the County of New York during the offense period.

7. Under the DPA, SG agreed to pay $717,200,000 to the United States, in addition to penalties paid to the New York County District Attorney's Office, the United States Department of the Treasury, Office of Foreign Assets Control, the Federal Reserve Board of Governors and the Federal Reserve Bank of New York, and the New York State Department of Financial Services

III. THE DEFENDANT-IN-REM

8. Pursuant and subject to the DPA, SG transferred the Defendant Funds to the United States in the Southern District of New York as a substitute *res* for proceeds of its offense that were transferred by SG or its subsidiaries in connection with the conduct described in the Statement of Facts. SG agrees that the Defendant Funds are subject to civil forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C).

IV. CLAIM FOR FORFEITURE

9. Incorporated herein are the allegations contained in paragraphs one through eight of this Verified Complaint.

10. Title 18, United States Code, Section 981(a)(1)(C) subjects to forfeiture "[a]ny property, real or personal, which constitutes or is derived from proceeds traceable to . . . any offense constituting 'specific unlawful activity' (as defined in section 1956(c)(7) of this title), or a conspiracy to commit such offense."

11. "Specified unlawful activity" is defined in Title 18, United States Code, Section 1956(c)(7), and the term includes, among other things, violations of the Trading With the Enemy Act.

12. By reason of the foregoing, the Defendant Funds are subject to forfeiture to the United States of America pursuant to Title 18, United States Code, Section 981(a)(1)(C), because the Defendant Funds constitute proceeds of violations of TWEA.

WHEREFORE, plaintiff United States of America prays that process issue to enforce the forfeiture of the defendant-in-rem and that all persons having an interest in the defendant-in-rem be cited to appear and show cause why the forfeiture should not be decreed, and that this Court decree forfeiture of the defendant-in-rem to the United States of America for disposition according to law, and that this Court grant plaintiff such further relief as this Court may deem just and proper, together with the costs and disbursements of this action.

Dated: New York, New York
November 19, 2018

GEOFFREY S. BERMAN
United States Attorney for the
Southern District of New York
Attorney for the Plaintiff
United States of America

By: 

ALEXANDER WILSON
BENET KEARNEY
Assistant United States Attorneys
One Saint Andrew's Plaza
New York, New York 10007
Tel. (212) 637-2453 / 2260

VERIFICATION

STATE OF NEW YORK)
COUNTY OF NEW YORK :
SOUTHERN DISTRICT OF NEW YORK)

AMY LINDNER, being duly sworn, deposes and says that she is a Special Agent with the Internal Revenue Service – Criminal Investigations ("IRS-CI"), and as such has responsibility for the within action; that she has read the foregoing complaint and knows the contents thereof, and that the same is true to the best of his knowledge, information, and belief.

The sources of deponent's information on the ground of her belief are official records and files of the United States, information obtained directly by the deponent, and information obtained by other law enforcement officials.

Amy Lindner
AMY LINDNER
Special Agent
Internal Revenue Service --
Criminal Investigations

Sworn to before me this
19th day of November 2018

John E. Kovelesky
NOTARY PUBLIC

JOHN E. KOVELESKI
NOTARY PUBLIC, State of New York
No. 4872883
Qualified in Nassau County
Commission Expires October 06, 20 20

EXHIBIT 1

U.S. Department of Justice

United States Attorney
Southern District of New York

The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York New York 10007

November 18, 2018

Keith Krakaur, Esq.
Skadden, Arps, Slate, Meagher & Flom (UK) LLP
40 Bank Street, Canary Wharf
London, E14 5DS
United Kingdom

David Braff, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004

Re: Société Générale S.A. – Deferred Prosecution Agreement

Dear Messrs. Krakaur and Braff:

Pursuant to the understandings specified below, the Office of the United States Attorney for the Southern District of New York (the "Office") and defendant Société Générale S.A. ("SG"), under authority granted by its Board of Directors in the form of a Board Resolution (a copy of which is attached hereto as Exhibit A), hereby enter into this Deferred Prosecution Agreement (the "Agreement").

The Criminal Information

1. SG consents to the filing of a one-count Information (the "Information") in the United States District Court for the Southern District of New York (the "Court"), charging SG with conspiring to violate the Trading with the Enemy Act ("TWEA"), Title 50, United States Code, Sections 4303, 4305 and 4315(a), and the Cuban Assets Control Regulations, Title 31, Code of Federal Regulations, Section 515.201, promulgated thereunder. A copy of the Information is attached hereto as Exhibit B. This Agreement shall take effect upon its execution by both parties.

Acceptance of Responsibility

2. SG stipulates that the facts set forth in the Statement of Facts, attached hereto as Exhibit C and incorporated herein, are true and accurate, and admits, accepts and acknowledges that it is responsible under United States law for the acts of its current and former officers and employees as set forth in the Statement of Facts. Should the Office pursue the prosecution that is deferred by this Agreement, SG stipulates to the admissibility of the Statement of Facts in any proceeding including any trial and sentencing proceeding.

Keith Krakaur, Esq.
David Braff, Esq.
November 18, 2018

Payments and Forfeiture Obligation

3. As a result of the conduct described in the Information and the Statement of Facts, SG agrees to pay $717,200,000 to the United States (the "Stipulated Forfeiture Amount") pursuant to this Agreement. SG has further agreed to pay the following monetary penalties in connection with its concurrent settlement of related criminal and civil actions (the "Related Settlements"): $162,800,000 to the New York County District Attorney's Office ("DANY"); $53,900,000 to the United States Department of the Treasury, Office of Foreign Assets Control ("OFAC"); $81,265,000 to the Federal Reserve Board of Governors and the Federal Reserve Bank of New York (collectively the "Federal Reserve"); and $325,000,000 to the New York State Department of Financial Services ("DFS").

4. SG agrees that the Stipulated Forfeiture Amount represents a substitute *res* for proceeds of the offense that were transferred by SG or its subsidiaries in connection with the conduct described in the Statement of Facts, and is subject to civil forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C).

5. SG further agrees that this Agreement, the Information and the Statement of Facts may be attached and incorporated into a civil forfeiture complaint (the "Civil Forfeiture Complaint") that will be filed against the Stipulated Forfeiture Amount. By this agreement, SG expressly waives any challenge to that Civil Forfeiture Complaint and consents to the forfeiture of the Stipulated Forfeiture Amount to the United States. SG agrees that it will not file a claim with the Court or otherwise contest the civil forfeiture of the Stipulated Forfeiture Amount and will not assist or direct a third party in asserting any claim to the Stipulated Forfeiture Amount. SG also waives all rights to service or notice of the Civil Forfeiture Complaint.

6. SG shall transfer the Stipulated Forfeiture Amount to the United States by no later than November 19, 2018 (or as otherwise directed by the Office following such date). Such payment shall be made by wire transfer to the United States Treasury, pursuant to wire instructions provided by the Office. If SG fails to timely make the payment required under this paragraph, interest (at the rate specified in Title 28, United States Code, Section 1961) shall accrue on the unpaid balance through the date of payment, unless the Office, in its sole discretion, chooses to reinstate prosecution pursuant to paragraphs 14 and 15 below. SG certifies that the funds used to pay the Stipulated Forfeiture Amount are not the subject of any lien, security agreement, or other encumbrance. Transferring encumbered funds or failing to pass clean title to these funds in any way will be considered a breach of this Agreement.

7. SG agrees that the Stipulated Forfeiture Amount shall be treated as a penalty paid to the United States government for all purposes, including all tax purposes. SG agrees that it will not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state, local, or foreign tax for any portion of the $717,200,000 that SG has agreed to pay to the United States pursuant to this Agreement. To the extent the Office chooses to reinstate prosecution pursuant to paragraphs 14 and 15, the Office agrees that under those circumstances, it shall recommend to the Court that the Stipulated Forfeiture Amount should be offset against any fine or forfeiture the Court imposes as part of a future judgment.

Keith Krakaur, Esq.
David Braff, Esq.
November 18, 2018

Obligation to Cooperate

8. SG agrees to cooperate fully with the Office, DANY, OFAC, the Federal Reserve, DFS, and any other governmental agency designated by the Office regarding any matter relating to the conduct described in the Information or Statement of Facts.

9. It is understood that SG shall, subject to paragraph 10 below, (a) truthfully and completely disclose all information with respect to the activities of SG, its officers, agents, and employees, and any affiliates that it controls concerning all matters about which the Office inquires of it, which information can be used for any purpose; (b) attend all meetings at which the Office requests its presence and use its reasonable best efforts to secure the attendance and truthful statements or testimony of any past or current officers, agents, or employees of SG at any meeting or interview or before the grand jury or at trial or at any other court proceeding; (c) provide to the Office upon request any document, record, or other tangible evidence relating to matters about which the Office or any designated law enforcement agency inquires of it; (d) assemble, organize, and provide in a responsive and prompt fashion, and upon request, on an expedited schedule, all documents, records, information and other evidence in SG's possession, custody or control as may be requested by the Office; (e) volunteer and provide to the Office any information and documents that come to SG's attention that it understands may be relevant to the Office's investigation of this matter or any issue related to the Statement of Facts; (f) provide testimony or information necessary to identify or establish the original location, authenticity, or other basis for admission into evidence of documents or physical evidence in any criminal or other proceeding as requested by the Office, or any governmental agency designated by the Office; and (g) bring to the Office's attention all criminal conduct by SG or any of its agents or employees acting within the scope of their employment related to violations of the federal laws of the United States, as to which SG's Board of Directors, senior management, or United States legal and compliance personnel are aware. In addition, SG shall (i) bring to the Office's attention any administrative, regulatory, civil or criminal proceeding or investigation of SG or any agents or employees acting within the scope of their employment relating to United States sanctions or anti-money laundering laws; and (ii) commit no crimes under the federal laws of the United States subsequent to the execution of this Agreement.

10. Nothing in this Agreement shall be construed to require SG to take any steps in violation of applicable law, including, but not limited to providing information, documents, or testimony (including interviews of any officer, employee, agent, consultant, or representative) that is prohibited from disclosure by French, European Union, or other applicable laws, including data protection, bank secrecy, and other local confidentiality laws, or by the rules and regulations of banking regulators regarding the disclosure of confidential supervisory information. Nor shall anything in this Agreement shall be construed to require SG to provide information, documents, or testimony protected by the attorney-client privilege, work product doctrine, or other applicable privileges. To the extent that SG believes that any materials it would otherwise be required to produce pursuant to this Agreement are covered by any such laws or privileges, SG shall notify the Office of the existence and type of such materials. At the request of the Office, SG shall also provide (a) a log of all materials withheld on these grounds and (b) a written explanation of the operation and application of any law or privilege under which SG concludes that it would be impermissible to produce the materials to the Office, and any methods

or procedures by which production of such materials may be authorized. To the extent SG believes that production of such materials would violate applicable laws or regulations, it shall use its best efforts to produce such materials, including by obtaining approval from the appropriate governmental agency or court to produce the materials, or by supporting an application made by the Office to the appropriate governmental agency or court, for production of the requested materials to the Office. Furthermore, it is understood and agreed that the obligations in this Agreement do not apply to any affiliates that are not controlled by SG.

11. SG agrees that its obligations pursuant to this Agreement, which shall commence upon the signing of this Agreement, will continue for three years from the date of the execution of this Agreement, unless otherwise extended pursuant to paragraph 16 below. SG's obligation to cooperate pursuant to this Agreement shall terminate in the event that a prosecution against SG by this Office is pursued.

Deferral of Prosecution

12. The Office agrees that the prosecution of SG on the Information be deferred for three years from the date of the execution of the Agreement. This decision reflects a variety of factors and considerations, including but not limited to SG's acceptance and acknowledgement of responsibility under the laws of the United States for its conduct, as exhibited by its undertaking of a thorough internal investigation, collecting and producing voluminous evidence located in other countries to the full extent permitted under applicable laws and regulations, providing frequent and regular updates to the Office, and its enhancement of its compliance program and sanctions-related internal controls both before and after it became the subject of a U.S. law enforcement investigation. In reaching this decision, the Office also considered SG's commitment to: (a) cooperate with the Office, DANY, OFAC, the Federal Reserve, DFS and any other law enforcement agency designated by this Office; (b) make the payments specified in paragraph 3 of this Agreement; (c) commit no future crimes under the federal laws of the United States (as provided herein in paragraph 9); and (d) otherwise comply with all of the terms of this Agreement. All of the above factors and considerations, as well as others, collectively weighed in favor of deferral of prosecution in this case, and outweighed in this particular case SG's decision not to self-report all its violations of United States sanctions laws in a timely manner. SG shall expressly waive indictment and all rights to a speedy trial pursuant to the Sixth Amendment of the United States Constitution, Title 18, United States Code, Section 3161, Federal Rule of Criminal Procedure 48(b), and any applicable Local Rules of the United States District Court for the Southern District of New York for the period during which this Agreement is in effect.

13. It is understood that this Office cannot, and does not, agree not to prosecute SG for criminal tax violations. However, if SG fully complies with the terms of this Agreement, no testimony given or other information provided by SG (or any other information directly or indirectly derived therefrom) will be used against SG in any criminal tax prosecution. In addition, the Office agrees that, if SG is in compliance with all of its obligations under this Agreement, the Office will, within thirty (30) days after the expiration of the period of deferral (including any extensions thereof), seek dismissal with prejudice of the Information filed against SG pursuant to this Agreement. Except in the event of a violation by SG of any term of this

Agreement or as otherwise provided in paragraph 14, the Office will bring no additional charges against SG, its subsidiaries, predecessors, successors or any affiliate that it controls, except for criminal tax violations, relating to conduct described in the Statement of Facts or otherwise disclosed to the Office during its investigation of this matter. This Agreement does not provide any protection against prosecution for any crimes except as set forth above and does not apply to any individual or entity other than SG, its subsidiaries and any affiliate that it controls. SG and the Office understand that the Agreement to defer prosecution of SG can only operate as intended if the Court grants a waiver of the Speedy Trial Act pursuant to 18 U.S.C. § 3161(h)(2). Should the Court decline to do so, both the Office and SG are released from any obligation imposed upon them by this Agreement, and this Agreement shall be null and void, except for the tolling provision set forth in paragraph 14.

14. It is further understood that should the Office in its sole discretion determine that SG has: (a) knowingly given false, incomplete or misleading information either during the term of this Agreement or in connection with the Office's investigation of the conduct described in the Information and Statement of Facts, (b) committed any crime under the federal laws of the United States subsequent to the execution of this Agreement, or (c) otherwise violated any provision of this Agreement, SG shall, in the Office's sole discretion, thereafter be subject to prosecution for any federal criminal violation, or suit for any civil cause of action, of which the Office has knowledge, including but not limited to a prosecution or civil action based on the Information, the Statement of Facts, the conduct described therein, or perjury and obstruction of justice. Any such prosecution or civil action may be premised on any information provided by or on behalf of SG to the Office, the Internal Revenue Service ("IRS"), DANY, OFAC, the Federal Reserve, or DFS at any time. In any such prosecution or civil action, it is understood that: (i) no charge or claim would be time-barred provided that such prosecution or civil action is brought within the applicable statute of limitations period (subject to any prior tolling agreements between the Office and SG), excluding the period from the execution of this Agreement until its termination; (ii) SG agrees to toll, and exclude from any calculation of time, the running of the applicable statute of limitations for the length of this Agreement starting from the date of the execution of this Agreement and including any extension of the period of deferral of prosecution pursuant to paragraph 16 below; and (iii) SG waives any objection to venue with respect to any charges arising out of the conduct described in the Statement of Facts and consents to the filing of such charges in the Southern District of New York. By this Agreement, SG expressly intends to and hereby does waive its rights in the foregoing respects, including the right to make a claim premised on the statute of limitations as set forth above, as well as any constitutional, statutory, or other claim concerning pre-indictment delay as set forth above. Such waivers are knowing, voluntary, and in express reliance on the advice of SG's counsel.

15. It is further agreed that in the event that the Office, in its sole discretion, determines that SG has violated any provision of this Agreement, including by failure to meet its obligations under this Agreement: (a) SG shall not object to the admissibility of all statements made or acknowledged by or on behalf of SG to the Office, IRS, DANY, OFAC, Federal Reserve or DFS including but not limited to the Statement of Facts, or any testimony given by SG or by any agent of SG before a grand jury, or elsewhere, whether before or after the date of this Agreement, or any leads from such statements or testimony, in any and all criminal proceedings hereinafter brought by the Office against SG; and (b) SG shall not assert any claim under the

Keith Krakaur, Esq.
David Braff, Esq.
November 18, 2018

United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule, that statements made or acknowledged by or on behalf of SG before or after the date of this Agreement, or any leads derived therefrom, should be suppressed or otherwise excluded from evidence. It is the intent of this Agreement to waive any and all rights in the foregoing respects.

16. SG agrees that, in the event that the Office determines during the period of deferral of prosecution described in paragraph 12 above (or any extensions thereof) that SG has violated any provision of this Agreement, an extension of the period of deferral of prosecution may be imposed in the sole discretion of the Office, up to an additional one year, but in no event shall the total term of the deferral-of-prosecution period of this Agreement exceed four (4) years. Any extension of the deferral-of-prosecution period extends all terms of this Agreement for an equivalent period. In the event the Office finds that there exists a change in circumstances sufficient to eliminate the need for the cooperation requirements set forth in paragraphs 8 and 9 above, and the reporting requirements in paragraphs 21 through 23 below, and that the other provisions of this Agreement have been satisfied, the Office may, in its sole discretion, choose to terminate SG's obligations under the Agreement and seek dismissal with prejudice of the Information filed against SG before the end of the period of deferral of prosecution described in paragraph 12.

17. SG, having truthfully admitted to the facts in the Statement of Facts, agrees that it shall not, through its attorneys, agents, employees, or others authorized to speak on its behalf, make any statement to any person outside of SG, in litigation or otherwise, contradicting the Statement of Facts or this Agreement. Consistent with this provision, SG may raise defenses and/or assert affirmative claims in any proceedings brought by private and/or public parties as long as doing so does not contradict the Statement of Facts. Any such contradictory statement by SG, its present or future attorneys, agents, employees, or others authorized to speak on its behalf shall constitute a violation of this Agreement and SG thereafter may be subject to prosecution as specified in paragraphs 14 through 15, above, or the deferral-of-prosecution period shall be extended pursuant to paragraph 16, above, unless SG subsequently cures such violation as set forth below. The decision as to whether any such contradictory statement will be imputed to SG for the purpose of determining whether SG has violated this Agreement shall be within the sole discretion of the Office. If the Office determines that a statement to any person outside of SG by any such person contradicts a statement contained in the Statement of Facts, the Office shall so notify SG. Upon the Office's notifying SG of any such contradictory statement, SG may cure such a violation of this Agreement by repudiating such statement both to the recipient of such statement and to the Office within five business days after having been provided notice by the Office. SG consents to the public release by the Office, in its sole discretion, of any such repudiation. This paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of SG in the course of any criminal, regulatory, or civil investigation or case initiated against such individual or by such individuals against SG, unless such individual is speaking on behalf of SG. Nothing in this Agreement affects the obligation of SG or its officers, directors, agents or employees to testify truthfully in any investigation or proceeding.

18. SG agrees that it is within the Office's sole discretion to choose, in the event of a violation, the remedies contained in paragraphs 14 and 15 above, or instead to choose to extend the period of deferral of prosecution pursuant to paragraph 16, provided, however, that if SG's violation of this Agreement is limited to an untimely payment of the Stipulated Forfeiture Amount, the Office may elect instead to choose the additional payment of interest by SG set forth in paragraph 6, above. Should the Office determine that SG has violated this Agreement, the Office shall provide written notice to SG of that determination and provide SG with an opportunity within a period of no less than thirty (30) days to make a presentation to the Office to demonstrate that no violation occurred, or, to the extent applicable, that the violation should not result in the exercise of any of those remedies, including because the violation has been cured by SG.

19. SG understands and agrees that the exercise of the Office's discretion under this Agreement, including the Office's determination regarding whether SG has violated any provision of this Agreement and whether to pursue the remedies contained in paragraphs 14, 15, and 16, is unreviewable by any court.

The Related Settlements and the Bank's Compliance Programs

20. SG shall comply with any and all terms of the Related Settlements, including but not limited to implementing all remedial changes to its compliance programs required by the Related Settlements, and shall further comply with any other Consent Order, Cease-and-Desist Order, or equivalent order issued by any of its U.S. Federal or State regulators regarding its sanctions or Bank Secrecy Act/anti-money laundering compliance programs. A failure by SG to comply with the Related Settlements or such orders by its U.S. Federal or State regulators shall not constitute a violation of this Agreement unless the failure to comply was willful and intentional. The determination of whether SG has failed to comply and whether such a violation was willful and intentional, for purposes of this Agreement, shall be within the sole discretion of the Office.

Review of the Bank's Compliance Programs

21. For the duration of the Agreement, SG shall provide the Office with quarterly reports within thirty (30) days after the end of each calendar quarter ("Quarterly Reports") describing the status of SG's implementation of any remedial changes to its sanctions or Bank Secrecy Act/anti-money laundering compliance programs required by the Related Settlements, by any other Consent Order, Cease-and-Desist Order, or equivalent order issued by any of its U.S. Federal or State regulators. The Quarterly Reports shall identify any violations of United States sanctions laws that have come to the attention of SG's legal and compliance personnel during this reporting period. SG further agrees that any compliance consultant or monitor imposed by any U.S. Federal or State regulator of SG shall, at SG's own expense, submit to the Office any report that it submits to that regulator. It is understood that any violation of United States sanctions laws arising from conduct exclusively occurring prior to the date of execution of this Agreement will not constitute a breach of SG's obligations pursuant to this Agreement. However, there shall be no limitation on the ability of the Office to investigate or prosecute such violations and/or conduct in accordance with the applicable law and the other

terms of this Agreement, including paragraph 13 hereof. In the event the Office finds that there exists a change in circumstances sufficient to eliminate the need for any portion of the reporting requirements set forth in this paragraph, the Office may, in its sole discretion, choose to suspend or terminate those requirements in whole or in part.

22. For the duration of this Agreement, the Office, as it deems necessary and upon request to SG, shall: (a) be provided by SG with access to any and all non-privileged books, records, accounts, correspondence, files, and any and all other documents or other electronic records, including e-mails, of SG and its representatives, agents, affiliates that it controls, and employees, relating to any matters described or identified in the Quarterly Reports; and (b) have the right to interview any officer, employee, agent, consultant, or representative of SG concerning any non-privileged matter described or identified in the Quarterly Reports.

23. It is understood that SG shall promptly notify the Office of (a) any deficiencies, failings, or matters requiring attention with respect to the Bank's sanctions compliance program identified by any U.S. Federal or State regulatory authority within 30 business days of any such regulatory notice; and (b) any steps taken or planned to be taken by SG to address the identified deficiency, failing, or matter requiring attention. The Office may, in its sole discretion, direct SG to provide other reports about its sanctions compliance program as warranted.

Limits of this Agreement

24. It is understood that this Agreement is binding on the Office but does not bind any other Federal agencies, any state or local law enforcement agencies, any licensing authorities, or any regulatory authorities. However, if requested by SG or its attorneys, the Office will bring to the attention of any such agencies, including but not limited to any regulators, as applicable, this Agreement, the nature and quality of SG's cooperation, and SG's compliance with its obligations under this Agreement.

Sale or Merger of SG

25. Except as may otherwise be agreed by the parties hereto in connection with a particular transaction, SG agrees that in the event it sells, merges, or transfers all or substantially all of its banking operations as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, or transfer, it shall include in any contract for sale, merger or transfer a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement.

Public Filing

26. SG and the Office agree that, upon the submission of this Agreement (including the Statement of Facts and other attachments hereto) to the Court, this Agreement (and its attachments) shall be filed publicly in the proceedings in the Court.

27. The parties understand that this Agreement reflects the unique facts of this case and is not intended as precedent for other cases.

Keith Krakaur, Esq.
David Braff, Esq.
November 18, 2018

Execution in Counterparts

28. This Agreement may be executed in one or more counterparts, each of which shall be considered effective as an original signature. Further, all digital images of signatures shall be treated as originals for all purposes.

Integration Clause

29. This Agreement sets forth all the terms of the Deferred Prosecution Agreement between SG and the Office. No modifications or additions to this Agreement shall be valid unless they are in writing and signed by the Office, SG's attorneys, and a duly authorized representative of SG.

GEOFFREY S. BERMAN
United States Attorney
Southern District of New York

By: _____
ALEXANDER WILSON
BENET KEARNEY
Assistant United States Attorneys

_____
LISA ZORNBERG
Chief, Criminal Division

Accepted and agreed to:

_____ _____
NICOLAS BROOKE Date
Managing Director, General Counsel for Litigation
and Investigations, Société Générale S.A.

_____ _____
KEITH D. KRAKAUR, ESQ. Date
Skadden, Arps, Slate, Meagher & Flom (UK) LLP
Attorney for Société Générale S.A.

Keith Krakaur, Esq.
David Braff, Esq.
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GEOFFREY S. BERMAN
United States Attorney
Southern District of New York

By: _____
ALEXANDER WILSON
BENET KEARNEY
Assistant United States Attorneys

_____
LISA ZORNBERG
Chief, Criminal Division

Accepted and agreed to:

_____ 18·XI·18
NICOLAS BROOKE
Managing Director, General Counsel for Litigation
and Investigations, Société Générale S.A.

Date

_____ _____
KEITH D. KRAKAUR, ESQ.
Skadden, Arps, Slate, Meagher & Flom (UK) LLP
Attorney for Société Générale S.A.

Date

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GEOFFREY S. BERMAN
United States Attorney
Southern District of New York

By: _____
ALEXANDER WILSON
BENET KEARNEY
Assistant United States Attorneys

_____
LISA ZORNBERG
Chief, Criminal Division

Accepted and agreed to:

_____ _____
NICOLAS BROOKE Date
Managing Director, General Counsel for Litigation
and Investigations, Société Générale S.A.

_____ 11/18/18
KEITH D. KRAKAUR, ESQ. Date
Skadden, Arps, Slate, Meagher & Flom (UK) LLP
Attorney for Société Générale S.A.

Keith Krakaur, Esq.
David Braff, Esq.
November 18, 2018

Jamie Boucher

JAMIE L. BOUCHER, ESQ.
Skadden, Arps, Slate, Meagher & Flom LLP
Attorney for Société Générale S.A.

Nov. 18, 2018
Date

RYAN D. JUNCK, ESQ.
Skadden, Arps, Slate, Meagher & Flom (UK) LLP
Attorney for Société Générale S.A.

Date

DAVID BRAFF, ESQ.
Sullivan & Cromwell LLP
Attorney for Société Générale S.A.

Date

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David Braff, Esq.
November 18, 2018

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Skadden, Arps, Slate, Meagher & Flom LLP
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Date

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11/18/18
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Attorney for Société Générale S.A.

Date

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November 18, 2018

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Date

RYAN D. JUNCK, ESQ.
Skadden, Arps, Slate, Meagher & Flom (UK) LLP
Attorney for Société Générale S.A.

Date

David Braff /AB

DAVID BRAFF, ESQ.
Sullivan & Cromwell LLP
Attorney for Société Générale S.A.

Nov. 18, 2018
Date

EXHIBIT A

CERTIFICATE OF CORPORATE RESOLUTIONS

WHEREAS, Société Générale S.A. (the "Company" or "Société Générale") has been engaged in discussions with the United States Attorney's Office for the Southern District of New York and the New York County District Attorney's Office (collectively, the "Offices") regarding issues arising in relation to certain U.S. dollar transactions processed by Société Générale involving countries that are the subject of sanctions enforced by the United States Department of the Treasury's Office of Foreign Assets Control;

WHEREAS, in order to resolve such discussions with the Offices, it is proposed that the Company enter into certain agreements with the Offices;

WHEREAS, the Company has also been engaged in discussions with the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York, and the New York State Department of Financial Services regarding the same issues; and

WHEREAS, the Company's General Secretary, Gilles Briatta, together with outside counsel for the Company, have advised the Board of Directors regarding the terms and conditions of the agreements with the Offices, including advising the Company of its rights, possible defenses, the relevant United States Sentencing Guidelines provisions, and the consequences of entering into the agreements with the Offices;

Therefore, after deliberation, the Board of Directors has RESOLVED that:

The Board of Directors approves the terms and conditions of the proposed agreements between the Company and the Offices, including but not limited to payment under the agreements

of monetary penalties totaling $880,000,000, and the waiver of rights described in the deferred prosecution agreements ("DPAs") with the Offices;

The Board of Directors (a) acknowledges the filing of the one-count Information by the United States Attorney's Office for the Southern District of New York in the United States District Court for the Southern District of New York charging the Company with one count of conspiracy to commit offenses against the United States in violation of Title 18, United States Code, Section 371, by engaging in transactions in violation of Title 50, United States Code, Sections 4303, 4305, and 4315(a), and Title 31, Code of Federal Regulations, Sections 515.201(a)(1), (c) and (d); (b) approves waiving indictment on such charges and entering into the DPAs; and (c) agrees to accept a civil forfeiture against the Company totaling $880,000,000 with respect to the conduct described in the one-count Information mentioned above, and to pay $717,200,000 of said forfeiture amount to the United States Treasury and $162,800,000 of said forfeiture amount to the New York County District Attorney's Office ;

Frédéric Oudéa, in his capacity as Chief Executive Officer of Société Générale, with the right to subdelegate to Dominique Bourrinet and/or Nicolas Brooke, in their respective capacities as Group General Counsel and General Counsel for Litigation and Investigations of Société Générale, either individually or collectively, is hereby authorized, empowered and directed, on behalf of the Company, to execute the agreements with the Offices substantially in such form as provided to this Board of Directors at this meeting with such changes as the Company's Chief Executive Officer, Frédéric Oudéa (or the Company's Group General Counsel and/or the Company's General Counsel for Litigation and Investigations, Dominique Bourrinet and Nicolas Brooke, respectively, in case of subdelegation), may approve;

Frédéric Oudéa, in his capacity as Chief Executive Officer of Société Générale (or Dominique Bourrinet and/or Nicolas Brooke, in their capacities as Group General Counsel and General Counsel for Litigation and Investigations of Société Générale, respectively, in case of subdelegation) is hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions, including but not limited to participating in legal proceedings in the United States; and

All of the actions of Frédéric Oudéa, in his capacity as Chief Executive Officer of Société Générale, and/or Dominique Bourrinet and/or Nicolas Brooke, in their respective capacities as Group General Counsel and General Counsel for Litigation and Investigations of Société Générale, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: November 18th 2018

By: Patrick Suet

Corporate Secretary

EXHIBIT B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- X

INFORMATION

UNITED STATES OF AMERICA

18 Cr.

- v. -

SOCIÉTÉ GÉNÉRALE S.A.,

Defendant.

- X

COUNT ONE

(Conspiracy to Violate the Trading with the Enemy Act)

The United States Attorney charges:

1. From at least in or about 2004 through in or about 2010, in the Southern District of New York and elsewhere, SOCIÉTÉ GÉNÉRALE S.A., the defendant, together with others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, a violation of the Trading with the Enemy Act and the Cuban Assets Control Regulations promulgated thereunder.

2. It was a part and an object of the conspiracy that SOCIÉTÉ GÉNÉRALE S.A., the defendant, and others known and unknown, willfully and knowingly would and did violate regulations prohibiting all transfers of credit and all payments between, by, through, and to any banking institution, with

respect to any property subject to the jurisdiction of the United States, in which Cuba has any interest of any nature whatsoever, direct or indirect, and the evasion and avoidance of the aforementioned prohibition, to wit, SOCIÉTÉ GÉNÉRALE S.A., the defendant, willfully and knowingly violated U.S. sanctions against Cuba by structuring, conducting and concealing U.S. dollar transactions using the U.S. financial system in connection with U.S. dollar credit facilities involving Cuba, including facilities provided to Cuban banks and other entities controlled by Cuba, and to Cuban and foreign corporations for business conducted in Cuba, in violation of Title 50, United States Code, Sections 4303, 4305, and 4315(a), and Title 31, Code of Federal Regulations, Sections 515.201(a)(1), (c) and (d).

(Title 18, United States Code, Section 371.)

FORFEITURE ALLEGATION

3. As a result of committing the offense alleged in Count One of this Information, SOCIÉTÉ GÉNÉRALE S.A., the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense, including but not limited to a

sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

Substitute Assets Provision

4. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

(Title 18, United States Code, Section 981;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)

GEOFFREY S. BERMAN
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

SOCIÉTÉ GÉNÉRALE S.A.,
Defendant.

INFORMATION

18 Cr.

(18 U.S.C. § 371)

GEOFFREY S. BERMAN
United States Attorney.

EXHIBIT C

STATEMENT OF FACTS

1. This Statement of Facts is made pursuant to, and is part of, the Deferred Prosecution Agreement dated November 18, 2018 between the United States Attorney's Office for the Southern District of New York ("SDNY") and Société Générale S.A. ("SG"), a French bank, and the Deferred Prosecution Agreement dated November 18, 2018 between the New York County District Attorney's Office ("DANY") and SG.

2. The parties agree and stipulate that the information contained in this Statement of Facts is true and accurate.

Introduction

3. SG is a financial institution and global financial services company headquartered in Paris, France, which maintains a branch located in New York, New York ("SGNY"). During the relevant time period, SG's top-level management or "General Management" was led by a Chairman and Chief Executive Office ("CEO") and was responsible for preparing and supervising the implementation of bank strategy, as determined by SG's Board of Directors. To that end, General Management oversaw the Executive Committee ("COMEX"), which was responsible for the implementation of those strategies. Below General Management were the various divisions with bank-wide, or "Group," functions, including the Risk Division ("RISQ") and the General Secretariat ("SEGL"). RISQ was tasked with the supervision of SG's credit, market, and operational risk and had teams dedicated to each of SG's business lines. SEGL was responsible for the supervision of the administration, compliance, legal, tax, insurance, and corporate social responsibility functions and served as the liaison between SG and its regulators,

including foreign regulators.[1] SG's business lines include its retail banking operation in France, Banque de Détail en France ("BDDF") and its Global Finance Department ("GLFI").

4. Starting in at least 2004, up through and including 2010, SG knowingly and willfully violated U.S. and New York State laws by illegally sending payments through the U.S. financial system in violation of U.S. economic sanctions, which caused both affiliated and unaffiliated U.S. financial institutions to process transactions that otherwise should have been rejected, blocked or stopped for investigation pursuant to regulations promulgated by the Office of Foreign Assets Control of the United States Department of Treasury ("OFAC") relating to transactions involving sanctioned countries and parties.

U.S. Sanctions Laws

5. Pursuant to U.S. law, financial institutions, including SG, are prohibited from participating in certain financial transactions involving persons, entities, and countries that are subject to U.S. economic sanctions ("Sanctioned Entities"). The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") promulgates regulations to administer and enforce U.S. law governing economic sanctions, including regulations for sanctions related to specific countries, as well as sanctions related to Specially Designated Nationals ("SDNs"). SDNs are individuals and companies specifically designated by OFAC as having their assets blocked from the U.S. financial system by virtue of being owned or controlled by, or acting for or on behalf of, targeted countries, as well as individuals, groups, and entities, such as terrorists and narcotics traffickers, designated under sanctions programs that are not country-specific. Violators of OFAC regulations are subject to a range of penalties, both criminal and civil, and

[1] The Group Compliance function now reports directly to General Management.

U.S. financial institutions that discover sanctions-violating transactions are required to block or reject those transactions from proceeding and hold the funds involved.

Cuba Sanctions

6. Beginning with Executive Orders issued in 1960 and 1962, the United States has maintained an economic embargo against Cuba through the enactment of various laws and regulations. Pursuant to the Trading with the Enemy Act ("TWEA"), 50 U.S.C. § 4305(b)(1) *et seq.*, OFAC has promulgated the Cuban Assets Control Regulations (the "Cuba Regulations"), which bar financial transactions through the United States for the benefit of Cuban parties, or which involve Cuban property. Specifically, in relevant part, the Cuba Regulations prohibit "[a]ll transfers of credit and all payments between, by, through, or to any banking institution or banking institutions wheresoever located, with respect to any property subject to the jurisdiction of the United States or by any person (including a banking institution) subject to the jurisdiction of the United States" that are undertaken "by, or on behalf of, or pursuant to the direction of [Cuba or any Cuban nationals], or that "involve property in which [Cuba or any Cuban national] has or had any interest of any nature whatsoever, direct or indirect [after July 8, 1963]." 31 C.F.R. § 515.201 (a)(1) and (d). The Cuba Regulations further prohibit "[a]ny transaction for the purpose or which has the effect of evading or avoiding" those restrictions. 31 C.F.R. § 515.201(c)

7. Pursuant to Title 50, United States Code, Section 4315(a) and Title 31, Code of Federal Regulations, Section 501.701, it is a crime to willfully violate any of the regulations issued pursuant to TWEA, including the Cuba Regulations.

Sanctions Involving Other Countries

8. The International Economic Emergency Powers Act ("IEEPA"), 50 U.S.C. § 1701 *et seq.*, authorizes the president "to deal with any unusual and extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States" by declaring a national emergency with respect to such threats, 50 U.S.C. § 1701(a), and to take steps to address such threats, including the authority to "investigate, regulate, or prohibit . . . any transactions in foreign exchange," "transfers of credit or payments between, by, through, or to any banking institution, to the extent that such transfers or payments involve any interest of any foreign country or a national thereof," and "the importing or exporting of currency or securities by any person, or with respect to any property, subject to the jurisdiction of the United States[,]" 50 U.S.C. § 1702(a)(1)(A). Pursuant to Title 50, United States Code, Section 1705, it is a crime for any person to "willfully commit[], willfully attempt[] to commit, or willfully conspire[] to commit, or [to] aid[] or abet[] in the commission of" a violation of any regulation or prohibition issued under IEEPA. 50 U.S.C. § 1705(a).

9. At various points in time, presidents have invoked their authority pursuant to IEEPA to impose sanctions on countries that posed a threat to United States security, including, since the 1990's, Iran, Myanmar, Libya, Sudan, and North Korea, and entities and individuals affiliated with those countries. OFAC has promulgated regulations making it unlawful to export goods and services from the United States, including U.S. financial services, to sanctioned countries, individuals, and entities without a license from OFAC. OFAC has provided exemptions for certain types of transactions, however. For example, until November 2008, OFAC permitted U.S. banks to act as an intermediary bank for U.S. dollar transactions related to

Iran between two non-U.S., non-Iranian banks (the "U-turn exemption"). The U-turn exemption applied only to sanctions regarding Iran, and not to sanctions against other countries or entities, and only applied until November 2008.

New York State Law Regarding False Business Records

10. DANY has alleged, and SG accepts, that its conduct, as described herein, violated New York State Penal Law Sections 175.05 and 175.10, which make it a crime to, "with intent to defraud,…1. [m]ake[] or cause[] a false entry in the business records of an enterprise [(defined as any company or corporation)]…or 4. [p]revent[] the making of a true entry or cause [] the omission thereof in the business records of an enterprise." It is a felony under Section 175.10 of the New York State Penal Law if a violation under Section 175.05 is committed and the person's or entity's "intent to defraud includes an intent to commit another crime or aid or conceal the commission thereof."

Transaction Processing Mechanisms

11. Financial institutions typically transfer funds through a series of electronic messages directing one another to make the debit and credit accounting entries necessary to complete the transaction. Financial institutions regularly employ a messaging system maintained by the Belgium-based Society for Worldwide Interbank Financial Telecommunications, otherwise known as "SWIFT," to effectuate cross-border transfers. Financial institutions in the United States that process U.S. dollar transactions from other countries utilize sophisticated filters designed to identify and block or reject any transactions involving entities that have been sanctioned by OFAC. The filters generally work by screening wire transfer messages, including SWIFT messages, for any reference to (a) countries under U.S. embargo such as Iran and Cuba, (b) all entities and individuals identified by OFAC as SDNs, and (c) any words or numbers in

wire messages that would indicate that the transaction being processed through the United States involved entities that were subject to U.S. sanctions. Transactions that are identified as violating U.S. sanctions are rejected or blocked and the funds involved may be seized.

Overview of the Conspiracy

12. From at least 2004, up through and including 2010, SG conspired with others known and unknown to knowingly and willfully violate United States sanctions against Cuba by structuring, conducting, and concealing U.S. dollar transactions using the U.S. financial system, and in particular financial institutions located in the County of New York, in connection with U.S. dollar credit facilities involving Cuba, including facilities provided to Cuban banks and other entities controlled by Cuba, and to Cuban and foreign corporations for business conducted in Cuba. SG accomplished this in part by making inaccurate or incomplete notations on SWIFT messages related to these transactions. In total, SG engaged in more than 2,500 sanctions-violating transactions through financial institutions located in the County of New York, valued at close to $13 billion, during this period.

13. Separately, SG also engaged in a broader practice of processing U.S. transfers on behalf of sanctioned entities while omitting information about the sanctioned entities from the accompanying payment messages to U.S. financial institutions located in the County of New York, in order to circumvent U.S. sanctions (the "Concealment Practice"). With isolated exceptions, this broader practice was terminated by early 2007, and was outside the statute of limitations for TWEA or IEEPA violations, and for violations of New York State law, before the commencement of the investigation of SG.

SG's Concealment Practice

14. Since at least 2002, SG engaged in the Concealment Practice in order to minimize the risk that sanctions-violating transactions would be detected and/or blocked in the United States. SG employees used cover payments for this purpose, in which SG would send one SWIFT payment message to the relevant U.S. bank, located in the County of New York, omitting the "beneficiary" field that would otherwise disclose the ultimate beneficiary of the payment, and listing only the bank to which the funds should be sent. SG would then send a second SWIFT message to the non-U.S. recipient bank, providing the name of the sanctioned party beneficiary to whom the funds should be remitted. Using this procedure (the "Cover Procedure"), SG would ensure that the sanctioned party beneficiary information was not disclosed to the United States bank that was involved in the transaction.[2]

15. SG employees of the business lines that dealt with sanctioned entities, including GLFI, Correspondent Banking, Money Markets, Coverage and Investment Banking ("CORI"), and the Foreign Exchange and Treasury Departments, as well as BDDF and certain overseas branches, processed payments in such a way as to ensure that references to sanctioned entities did not appear in U.S. dollar payment transfer messages. For example, in July 2002, a manager in SG's Natural Resources and Energy Financing department ("NAT"),[3] which was responsible for the operation of credit facilities involving Cuba, sent instructions regarding a proposed credit facility involving a joint venture between a French commodities trading company and a Cuban government entity. In those instructions, the manager noted that:

> "We are going to receive transfer orders in USD in favor of certain suppliers in non-Cuban banks. **In this case, the USD transfer must not**

[2] Until November 2009, the applicable SWIFT protocols did not require a reference to the ordering party in Single Customer Transfers processed as MT103/202 cover messages.
[3] NAT was based in Paris and was a component of GLFI.

> **in any case mention the name of the ordering party [the joint venture] or its country of origin, Cuba. The clearing will indeed be carried out in NY. I have explicitly asked [the joint venture] to write on its transfer request the instructions to be included.**" (bold in original).

The Concealment Practice was used to send U.S. dollar payments to Cuban banks and corporate beneficiaries in connection with other credit facilities involving Cuba that NAT operated.

16. SG's Cover Procedure was memorialized in writing in 2003, as part of discussions among various SG departments regarding how to deal with U.S. dollar payments that involved sanctioned country financial institutions. In July 2003, a senior member of CORI proposed that SG define "a procedure and a common SG position that we will have to relay to the banks under embargo (Iran, Libya, etc.) for the issuance and receipt of transfers in USD." This was followed by an August 2003 meeting among CORI, Correspondent Banking, Treasury, and Group Compliance representatives regarding "USD payments to or from OFAC blacklisted financial Institutions" in light of a recommendation by the Financial Action Task Force on Money Laundering ("FATF")[4] that correspondent banks identify the ultimate customer ordering a payment. As a result of that meeting, a senior member of SG's Treasury Department's back office, drafted a document entitled "Scheme for international settlement" which applied where "the customer belongs to a country under OFAC embargo (Iran, Libya, …)" and laid out the mechanics of the Cover Procedure. This document noted that for payments by SG to the customer, "[r]egarding the OFAC rules there is no risk for SOCGEN except if we make a mistake in the MT202," a reference to the omission of information from the SWIFT message

[4] FATF is a policy making body that works to set standards and promote effective implementation of legal, regulatory, and operational measures for combating threats to the integrity of the international financial system, such as money laundering and terrorist financing. In connection with this mission, it issues recommendations designed to address these threats.

accompanying the transaction, that would, if included, result in the possible blocking of a sanctioned transaction.

17. The purpose of the Cover Procedure, and the Concealment Practice generally, was to circumvent U.S. sanctions by omitting or falsifying information on payment instructions sent through financial institutions located in New York County. For example, a senior member of SG's Money Market department back office ("MMBO") wrote to another MMBO employee in 2004 that "[t]he American authorities have now identified the procedure we were using (two MT 202s) to 'circumvent' the OFAC rules." Similarly, IT employees who worked with the systems that automatically filtered payment messages being sent to the United States for references to Sanctioned Entities described these practices as "circumvention circuits," which "circumvent[ed] the OFAC rules, as many other institutions in Europe are also doing." And, during a July 2004 meeting, the minutes of which were sent to SEGL's group compliance unit ("Group Compliance"), concern was expressed that "SG New York is indicating that the [Federal Reserve] could in the future monitor the covering MT 202 by requesting information on the underlying MT 103: this could put SG at risk for these transactions that are under the US embargo."[5]

18. SG compliance personnel were aware of the Concealment Practice, and some actively promoted it early in the Review Period. For example, in 2003, during SG's establishment of internal transaction monitoring (or "filtering") systems designed to assist with identifying and preventing the processing of transactions that would violate U.S. sanctions, a senior member of Group Compliance directed IT employees to use these tools to identify

[5] MT 202s and MT 103 are types of SWIFT messages. In the scenario described in the meeting minutes, the underlying MT 103 would have contained the identity of the ultimate sanctioned party originator or beneficiary, which was being omitted from the covering MT 202.

transactions from which party information would have to be removed, so that they would not be blocked by U.S. financial institutions. Instead of declining to process these transactions, the senior member of Group Compliance instructed SG employees to "repair[]" them so that they did "not have Swift messages including an indication of [a Sanctioned Entity]."

19. Starting in May 2004, following an enforcement action by the Federal Reserve against the Swiss Bank UBS for, among other things, engaging in U.S. dollar banknote transactions with countries under U.S. sanctions (the "UBS Action"), SG's various departments gradually discontinued use of the Concealment Practice. After discussions with SGNY's OFAC Compliance Officer prompted by the UBS Action, SG's Money Market and Treasury Departments switched to fully transparent payments in December 2004. Another round of discussions with SGNY's OFAC Compliance Officer was prompted by the December 2005 sanctions enforcement action by OFAC and various bank regulators against Dutch bank ABN AMRO (the "ABN AMRO Action"). Those discussions led SG's Correspondent Banking Department to switch to transparent payments for most of its Iranian bank customers in July 2006. Correspondent Banking continued to utilize the Concealment Practice for a significant Iranian Government bank until September 12, 2006, one day before SG's top management was to meet with the U.S. Department of the Treasury's Under Secretary for Terrorism and Financial Intelligence regarding Iran's use of the global financial system. Components of BDDF, GLFI, and certain overseas SG offices continued to use the Concealment Practice through early 2007.

20. In total, SG processed over 9,000 outgoing transactions that failed to disclose an ultimate sanctioned party sender or beneficiary ("non-transparent transactions"), with a total value of more than $13 billion. The overwhelming majority of these transactions involved an Iranian nexus and would have been eligible for the U-Turn License. There were, however, at

least 887 non-U-turn transactions with a total value of $292.3 million that were both non-transparent and violated U.S. sanctions. 381 of these transactions with a total value of $63.6 million were related to the Cuban credit facility conduct described below, while the remaining 506 transactions with a total value of $228.7 million involved other SG business with a sanctioned nexus.

SG's Operation of U.S. Dollar Credit Facilities to Finance Cuban Business

21. Beginning in at least the early 1990s, SG offered credit financing to various Cuban-related entities and business enterprises. Between 2000 and 2010, SG operated 21 credit facilities (the "Cuban Credit Facilities") that involved substantial U.S.-cleared payments through financial institutions located in the County of New York, in violation of TWEA and the Cuba Regulations. These facilities provided funding to a Cuban government bank ("Cuban Bank 1") that had been designated as an SDN by OFAC, to Cuban government-controlled corporations, and to European corporations in connection with their Cuban business enterprises. The facilities included loans secured by Cuban tax revenues, sugar, oil, and nickel.

22. Of these, the credit facility with the largest volume (60.9%) and value (97.8%) of U.S. dollar-denominated transactions ("Cuban Facility 1") was two separate but linked credit facilities originated in 2000 in order to finance oil transactions between a Dutch commodities trading firm ("Dutch Company 1") and a Cuban corporation with a state monopoly on the production and refining of crude oil in Cuba (Cuban Corporation 1). One facility was a $40 million revolving line of credit, divided between SG and another French bank ("French Bank 1") to finance Dutch Company 1's importation of crude oil into Cuba to be refined there and sold in U.S. dollar-denominated transactions in the local Cuban market (the "Import Facility"). The other facility was a $40 million revolving line of credit to finance Dutch Company 1's purchase

of receivables owed to Cuban Corporation 1 from the sale of oil financed by the Import Facility (the "Receivables Purchase Agreement"), in which SG's initial exposure was $20 million, and which decreased over time. While the Receivables Purchase Agreement was terminated in 2006, the Import Facility continued through October 2010, when it was replaced with a Euro-denominated facility. Between 2003 and 2010 alone, SG engaged in 1,887 U.S. dollar-denominated transactions in connection with Cuban Facility 1, totaling approximately $14,736,500,000, which represented the overwhelming majority of the Cuba Credit Facility transactions.

23. Between 2000 and 2010, SG maintained 20 other credit facilities for which it conducted U.S. dollar transactions passing through New York financial institutions that violated the Cuba Regulations. Six of these facilities were comprised of loans that SG extended to a Cuban government bank that was designated as an SDN ("Cuban Bank 1"), three through a Jersey-incorporated entity for subsequent transfer to Cuban Bank 1 and secured by Cuban commodities ("Cuban Facilities 4-6") and three directly to Cuban Bank 1 with repayments made by a different Cuban bank from Cuban tax revenues ("Cuban Facilities 7-9"). Another of these facilities ("Cuban Facility 2") was comprised of loans that were extended directly to a Cuban state-owned corporation which operates Cuba's airlines ("Cuban Corporation 2"). Thirteen of these facilities ("Cuban Facilities 3, 13-18, 26-29, and 24-25") involved loans to European corporations in order to finance the purchase, production, and/or export of Cuban commodities.

24. The Cuban Credit Facilities were managed from SG's home office in Paris by the NAT group within GLFI. In addition, in 2002, SG established a Cuba task force including both the RISQ Country Risk department ("RISQ/EMG") and NAT with authority over all of the Cuban Credit Facilities except for Cuban Facility 1 and a handful of other facilities.

25. Between 2003 and 2010, in connection with the Cuban Credit Facilities, SG engaged in 3,100 unlawful U.S. dollar transactions that were processed through United States financial institutions located in the County of New York, worth approximately $15.1 billion, as illustrated below:

Facilities	USD Transactions	$ Value (Million)
Cuban Facility 1	1,887	14,736.5[6]
Cuban Facility 2	185	39.7
Cuban Facility 3	53	52.1
Cuban Facilities 4-6	168	13.7
Cuban Facilities 7-9	443	91.4
Cuban Facilities 13-18, 26-29	302	134.9
Cuban Facilities 24-25	62	18.0
TOTALS	3,100	15,086.4

SG's Use of the Concealment Practice in Connection with the Cuban Credit Facilities

26. Consistent with SG's broader use of the Concealment Practice, NAT engaged in a deliberate practice of concealing the Cuban nexus of U.S. dollar payments that were made in connection with the Cuban Credit Facilities. This included a large volume of payments (including those relating to Cuban Facility 1) that did not involve a direct Cuban customer of SG, in which SG concealed the Cuban nexus of payments processed through SGNY. It also included approximately 500 U.S. dollar-denominated payments that SG routed through a particular

[6] The terms of the Import Facility required separate weekly drawdowns and repayments, rather than a single netted debit or credit a particular week. If the payments had been netted the total amount of U.S. dollar payments made in connection with Cuban Facility 1 during this period would have been $2,047,600,000.

Spanish bank ("Spanish Bank 1") before the payments were processed in the United States in order to further disguise the fact that the transactions violated U.S. sanctions. For example, in a July 2002 memo regarding a proposal for one of the Cuban Credit Facilities, one of NAT's managers advised:

> IMPORTANT
> . . .
> 3) FOR ANY TRANSFER OF FUNDS IN USD FOR WHICH THE BENEFICIARY OR THE BANK HOUSING THE PAYMENTS IS CUBAN, A SPECIFIC PROCEDURE IS IN PLACE: prepare a SWIFT MT 100 reiterating the payment instructions validly signed by [the joint venture receiving the loan] and send it to [Spanish Bank 1's France office]. Arrange a cash transfer in the amount SG requests to [Spanish Bank 1's France office] without reference of the end Cuban beneficiary.

The use of Cover Payments in processing transactions relating to the Cuban Credit Facilities was ongoing when this manager joined SCF in 2002.

27. In a December 2004 memorandum to NAT management describing payment flows in connection with the Cuba–related Facilities, NAT employees stated that "SG has always been sensitive to avoiding the use of USD in its Cuban operations" and that it no longer had any "direct flows in USD from/to Cuba in any of its transactions." Instead, USD flows were made via intermediaries – either banks or non-Cuban corporate entities. The memorandum further explained the Concealment Practice, describing how the transactions processed through intermediary banks were transmitted "without any reference to a Cuban party/transaction." With respect to the Receivables Purchase Agreement portion of the Cuban Facility 1 specifically, the memorandum noted that "SG Paris transfers the USD amount to [Dutch Company 1's] account at [a bank in New York] (no reference is made to the Cuban import) and receives the invoice from [Dutch Company 1]."

SG's Cuban Sanctions Violations Continued Despite Concerns Expressed by Compliance to Top Management.

28. Between May and December 2004, SG reconsidered its Cuba business in light of the UBS Action, and began to shift away from U.S. dollar transactions involving Cuba to avoid U.S. scrutiny and possible sanctions enforcement action.

29. In late November 2004, a senior leader of NAT travelled to Cuba to meet with Cuban banks and government ministries, and communicated to his Cuban counterparties that "given the increased constraints on SG in the context of the reinforcement of the United States' position towards companies working with countries under embargo, SG is considering taking measures to avoid potential difficulties with the U.S. authorities" including "elimination of any transfer in USD between Cuba and SG."

30. By about this time, SG's Group Compliance had expressed significant concerns about continuing to conduct U.S. dollar transactions with Cuban counterparties in light of U.S. sanctions. As reported in a December 1, 2004 email from a senior leader of Group Compliance to a top executive in SEGL, these included that (1) "any discovery of breach" regarding Cuba "attracts the most stringent punishment," and (2) U.S. authorities, including "criminal authorities," were focusing on U.S. dollar payments that had been sent through U.S. banks.

31. Several days later, the same senior leader of Group Compliance, after being alerted to a U.S. dollar transaction between SG Canada and an exporter of goods to Cuba in connection with which "[n]o reference to Cuba is made to [the Canadian bank]," contacted the top executive in SEGL and other members of Group Compliance regarding SG's Cuban business. In that email, the senior leader of Group Compliance noted that "we have lived with the OFAC list for some time and have developed various methods of avoiding it," and asked

whether "given the new regulatory scrutiny in the US on USD payments do we remain satisfied with those methods?"

32. In mid to late December 2004, as a result of these concerns, SG's top management determined that U.S. dollar transactions in connection with the Cuban Credit Facilities should be eliminated as quickly as possible, but permitted NAT to continue U.S. dollar transactions in the interim. This decision was first communicated to an SG customer in emails from an NAT employee to Cuban Bank 1 on December 13 and 21, 2004, which stated that "SG top management wishes not to receive/transfer payments in USD any longer as per a scheme to be implemented within the shortest time possible…" and that "SG - and most likely other European lenders alike - has no choice but to eliminate any reference to USD or business involving American entities in its business with Cuba. As you may know, the Spanish bank SCH [Santander] was recently fined by US Authorities for having used USD in 2001 (so remotely !) for its operations with Cuba indirectly. We have no information about any potential threat to their operations in the US but our Compliance Dpt [sic] fears that SG faces such difficulties."

33. Despite the decisions in 2004 to wind down U.S. dollar transactions for the Cuban Credit Facilities, as well as the Bank's overall Cuban exposure, SG continued to engage in such transactions for almost six years, until October 2010. SG gradually negotiated repayments of existing facilities in Euros, including through simultaneous foreign exchange transactions, and renewed facilities in Euros or did not renew them at the end of their term.

34. In the interim, SG continued to engage in U.S. dollar transactions in violation of TWEA and the Cuba Regulations, conducting a total of 1,921 violative transactions with a total value of approximately $10.3 billion from 2005 to 2010. Many of those transactions were processed through New York County.

35. The conduct continued despite the ongoing awareness of Group Compliance, and despite awareness by the participants of ongoing U.S. sanctions enforcement actions, most notably the December 2005 ABN AMRO Action. For example, on February 7, 2006, an employee in the RISQ Financial Institutions department ("RISQ/CMC") sent an email to members of NAT, as well as RISQ and Group Compliance employees regarding a meeting held that day with the SGNY Compliance Department regarding transactions with Iranian banks in light of the ABN AMRO Action. In that email, the RISQ/CMC employee raised concerns that a U.S. investigation of SG's Iran transactions could reveal SG's conduct with respect to Cuba:

> In this manner, by means of an investigation centered on a country such as Iran, the U.S. authorities can put their finger on the movements of funds in USD relating to other countries – so Cuba – . At least, it is what we have understood. Of course, we have not brought up the case of Cuba with the SGNY Compliance Department. Nevertheless, but we have understood that Iran was – to a certain extent – the "lesser evil" by which the "worst" could happen.

The email noted that "[s]ince end 2005[sic]/beginning 2005, it was decided to avoid to the maximum any transactions executed in USD with Cuba" and described some of the methods used including the foreign exchange procedure that had been implemented for some of the Cuban Credit Facilities. The employee further wrote that "[w]e can also wonder how the type of USD/EUR foreign exchange transaction mentioned earlier . . . could be perceived by the U.S. authorities and whether it complies with the procedures provided for in the USA for this type of transaction."

36. During this time, SG continued to utilize the Concealment Practice to disguise the nature of the U.S. dollar transactions it effected in connection with Cuban Credit Facilities. For example, a January 2006 agreement with respect to Cuban Facility 3 expressly stated that the U.S. dollar payments between SG and a Russian bank that was a sub-participant in the facility should be made through SGNY "without including any mention or reference to Cuba, any Cuban

entity or to the Caribbean, either in the correspondence (electronic, paper or fax), the SWIFT messages or the fund transfer SWIFTS" (underline in original).

Termination of Cuban Facility 1 and the Final U.S. Dollar Payment.

37. By early 2010, all Cuban Credit Facilities had ended or been converted to Euro payments except for Cuban Facility 1. On March 30, 2010, as part of a NAT effort to refinance this facility, Cuban Facility 1 came to the attention of the recently created Group Sanctions Compliance function, when NAT sought approval to open an SG account in Euros with a Cuban bank acting as collection agent for Cuban Corporation 1 in connection with extending a new U.S. dollar facility to Dutch Company 1 to replace Cuban Facility 1.

38. A senior leader of Group Sanctions Compliance responded on April 1, 2010, based on information provided by phone, that "we have understood that this transaction is tied to a financing in USD (from SG to [Dutch Company 1] and from [Dutch Company 1] to [Cuban Corporation 1]). This type of structure is sanctioned by the U.S. Authorities." As a result, Compliance was "unfavorable to this transaction."

39. Following this objection, a new Euro facility was extended to Dutch Company 1 to replace Cuban Facility 1 in October 2010. In connection with this new facility, Dutch Company 1 paid SG Paris a final $600,000 arrangement fee (the "Arrangement Fee") through SGNY, despite the clear confirmation from Group Sanctions Compliance that U.S. dollar payments in connection with the facility violated U.S. sanctions. The payment instructions sent to Dutch Company 1 stated that: "The Arrangement Fees [sic], payable in USD should be paid to the following account. Please pay attention not to mention any reference to [Cuban Corporation 1] within the references of this settlement." NAT employees, including supervisors, responsible for the facility and Cuban Facility 1 received both the instruction from Group Sanctions

Compliance that such an arrangement would be a violation of U.S. sanctions and a copy of the payment instruction, but nonetheless raised no objection.

SG's Failure to Disclose Its Wrongdoing in a Timely Manner

40. Despite the awareness of both Group Compliance and senior SG management that SG had engaged in both the Concealment Practice and the unlawful U.S. dollar payments under the Cuban Credit Facilities, SG did not disclose its conduct to OFAC or any other U.S. regulator or law enforcement agency prior to the commencement of the present investigation.

41. This investigation was triggered by the blocking by other U.S. financial institutions, in March 2012, of two transactions that SG processed on behalf of a Sudanese sanctioned entity, and a subsequent February 2013 voluntary disclosure by SG regarding $22.8 million in transactions with the Sudanese entity and a small amount of transactions with other Sanctioned Entities that violated U.S. sanctions. The Bank did not disclose the existence of the Concealment Practice and the Cuban Credit Facilities at that time. SG thereafter engaged in discussions with the various criminal and regulatory agencies investigating its conduct (the "Investigating Agencies") regarding the scope of the voluntary lookback the Bank had agreed to conduct into its compliance with U.S. sanctions laws. SG did not disclose the Concealment Practice or the Cuban Credit Facilities during these discussions, and its proposals for the scope of that lookback did not include the time period, business lines, or geographic regions that would have revealed that unlawful conduct. It was only after SG performed a detailed forensic analysis based on the broader scope of investigation required by the Investigating Agencies that it disclosed, in October 2014, the Concealment Practice and the Cuban Credit Facilities to the Investigating Agencies.

42. As a result of this untimely disclosure, the statute of limitations for TWEA or IEEPA violations relating to the Concealment Practice, and to much of the individual conduct involving the Cuban Credit Facilities, had already run by the time the Investigating Agencies learned of them.

SG's Subsequent Provision of Information to the Government and Remediation Efforts

43. After the belated disclosure of its misconduct, SG cooperated substantially with the investigation. SG conducted an extensive and thorough transactional and conduct review and signed tolling agreements and extensions of those tolling agreements with the Government. Consistent with SG's understanding of its obligations under French law, SG produced voluminous documentary materials to the Investigating Agencies. SG was also responsive and helpful in presenting the results of its investigation, answering questions for the Investigating Agencies, and facilitating potential interviews of its employees, also pursuant to an MLAT request.

44. SG has also engaged in significant remediation. SG terminated its unlawful conduct in 2010 prior to the commencement of any investigation. Beginning in 2009, SG also made major improvements in its sanctions compliance program. In 2009, SG created a central Group Sanctions Compliance function, which has increased from a single employee when initiated to 31 employees by 2017. More generally, SG increased its Group Compliance personnel between 2009 and 2017 from 169 employees to 785 employees, and its Group Financial Crime personnel from 16 to 106. SG has also made various enhancements to its compliance IT, and the overall Compliance budget has increased from €53.8 million in 2010 to €186 million in 2016. In July 2010, SG issued a Group Sanctions Policy making clear the scope of U.S. sanctions, and reorganized its policies for escalation and review of potential sanctions

issues. It implemented a formal recusal policy for U.S. persons working at SG with respect to sanctioned party business in 2014. SG has also instituted biannual training of employees regarding sanctions issues.

Exhibit 4

BANCO NACIONAL DE CUBA

RESOLUCION NUMERO TRESCIENTOS VEINTINUEVE DE 1995

POR CUANTO: El Decreto-Ley No. 46 de 6 de octubre de 1984, en su Artículo 8 dispone que los bancos extranjeros que deseen establecer filiales o representación en Cuba deberán presentar su solicitud al Banco Nacional de Cuba, para la concesión de la licencia correspondiente.

POR CUANTO: La Resolución No. 172 del Banco Nacional de Cuba, de fecha 30 de junio de 1987 que contiene el "Reglamento para la autorización del establecimiento en Cuba de bancos extranjeros", expresa que [illegible] regula los requisitos y trámites para la solicitud y aprobación de la referida licencia.

POR CUANTO: Société Générale legalmente establecida y autorizada a operar de conformidad con las regulaciones vigentes en Francia, solicita al Banco Nacional de Cuba a través de su Presidente, el otorgamiento de la licencia para el establecimiento de su oficina de representación en Cuba.

POR CUANTO: Société Générale ha cumplido con los requisitos establecidos en las disposiciones legales antes citadas necesarios para la concesión de su oficina de representación en Cuba.

POR CUANTO: El mencionado Decreto-Ley No. 46 en su Artículo 9 faculta al Presidente del Banco Nacional de Cuba para dictar disposiciones de cumplimiento obligatorio por todos los integrantes del Sistema Bancario Nacional.

POR CUANTO: El que resuelve fue nombrado Presidente del Banco Nacional de Cuba por Acuerdo del Consejo de Estado de fecha 23 de enero de 1995, que fue ratificado por Acuerdo número 443 adoptado por la Asamblea Nacional del Poder Popular el 5 de septiembre de 1995.

POR TANTO: En uso de las facultades que me están conferidas,

Resuelvo:

UNICO: Otorgar a Société Générale la licencia correspondiente para el establecimiento en Cuba de una oficina de representación en los términos que dispone el texto que se anexa a la presente resolución.

COMUNIQUESE: Al Presidente de Société Générale, a los Vicepresidentes Primeros, a los Vicepresidentes y al Auditor General del Banco Nacional de Cuba, al Ministro de Comercio Exterior, al Presidente de la Cámara de Comercio de la República de Cuba y al director de la Empresa para la Prestación de Servicios a Extranjeros (CUBALSE) y archívese el original en la Secretaria del Banco Nacional de Cuba.

PUBLIQUESE en la Gaceta Oficial de la República, para conocimiento general.

Dada en la Ciudad de La Habana, a los 16 días del mes de noviembre de mil novecientos noventa y cinco.

Francisco Soberón Valdés
Ministro-Presidente
Banco Nacional de Cuba

LICENCIA

Emitida a favor de Société Générale con sede en París Francia, para establecer, por tiempo indefinido, OFICINA DE REPRESENTACION en el territorio de la República de Cuba.

Esta LICENCIA autoriza a la OFICINA DE REPRESENTACION para llevar a cabo la gestión, promoción y coordinación de actividades lucrativas relacionadas con el negocio de la banca, que se realicen entre el banco representado y los bancos del Sistema Bancario Nacional y otras entidades nacionales incluidas aquellas que tienen participación de capital extranjero, de acuerdo a lo que se establece a continuación.

1. Gestionar, promover o coordinar el otorgamiento de depósitos, créditos, préstamos y demás formas de facilidades crediticias en monedas libremente convertibles con entidades nacionales incluidas aquéllas que tienen participación de capital extranjero.
2. Gestionar, promover o coordinar la profundización de las relaciones bancarias entre el banco representado y las instituciones bancarias cubanas.
3. Gestionar, promover o coordinar el asesoramiento en productos, procedimientos, mecanismos de control de la operatoria comercial para hacer más eficaz la gestión bancaria entre el banco representado y las entidades nacionales incluidas aquellas que tienen participación de capital extranjero.
4. Gestionar, promover o coordinar el otorgamiento de avales, garantías y demás formas de afianzamientos o garantías bancarias con entidades nacionales incluidas aquellas que tienen participación de capital extranjero.
5. Gestionar, o coordinar el pago o reembolso de gastos por concepto de comisiones y otros semejantes entre el banco representado y entidades nacionales, incluidas aquéllas que tienen participación de capital extranjero.
6. Gestionar, o coordinar el pago de intereses correspondientes a operaciones realizadas entre el banco representado y entidades nacionales, incluidas aquéllas que tienen participación de capital extranjero.
7. Gestionar, promover o coordinar la realización de acuerdo de corresponsalía entre el banco representado y entidades bancarias y financieras nacionales incluidas aquéllas que tienen participación de capital extranjero.
8. Gestionar, promover o coordinar la apertura de nuevos mercados para los productos de exportación tradicionales y no tradicionales cubanos así como la realización de todas aquellas transacciones comerciales que conlleven a la participación, en el negocio en cuestión, del banco representado y entidades nacionales incluidas aquéllas que tienen participación de capital extranjero.
9. Gestionar, promover o coordinar la realización de inversiones de todos aquellos inversionistas que estén interesados en el mercado cubano, así como facilitar los contactos de los clientes de Société Générale, que tengan o deseen establecerse o desarrollar el comercio y las inversiones en Cuba.
10. Gestionar, promover o coordinar la realización de todos aquellos negocios bancarios lícitos entre el banco representado y entidades nacionales incluidas aquéllas que tienen participación de capital extranjero.

Queda prohibido a la OFICINA DE REPRESENTACION realizar operaciones bancarias de tipo alguno en Cuba.

La OFICINA DE REPRESENTACION suministrará al Banco Nacional de Cuba y demás organismos que corresponda los datos e informes que le sean solicitados, ya sea para conocimiento de las referidas entidades o con motivo de las inspecciones que éstas realicen, así como también exhibirá a los funcionarios del Banco Nacional de Cuba y demás organismos que correspondan, para su examen, los libros, documentos y demás antecedentes que soliciten.

La OFICINA DE REPRESENTACION, deberá solicitar su inscripción en el Registro General de Bancos dentro de los sesenta días hábiles siguientes a la fecha de emisión de la presente licencia, decursados los cuales sin solicitar la misma, se considerará nula y sin valor esta licencia.

Para su inscripción en el Registro General de Bancos, la OFICINA DE REPRESENTACION, presentará al Secretario del Banco Nacional de Cuba los siguientes documentos:

—Escrito dirigido al Secretario del Banco Nacional de Cuba expresando:
Nombre y demás generales del solicitante.
Carácter y facultades del solicitante.
Denominación y domicilio legal de la entidad bancaria que representa.

Domicilio en Cuba de la OFICINA DE REPRESENTACION.

Actividades que desea realizar en Cuba dicha entidad.

—Certificación de la licencia otorgada por el Banco Nacional de Cuba.

—Copia legalizada de la escritura de constitución y estatutos de la entidad bancaria a la que representa la oficina.

—Balance General certificado de la institución bancaria representada, correspondiente al último año fiscal anterior a la fecha de su establecimiento en Cuba.

La certificación que emita el Registro General de Bancos es el documento que acredita que la OFICINA DE REPRESENTACION en Cuba, representa a Société Générale.

Francisco Soberón Valdés
Ministro-Presidente
Banco Nacional de Cuba

RESOLUCION NUMERO TRESCIENTOS TREINTA DE 1995

POR CUANTO: El Decreto-Ley No. 84 de 13 de octubre de 1984, en el Artículo 8 dispone que los bancos extranjeros que deseen establecer oficinas de representación en Cuba deberán presentar su solicitud al Banco Nacional de Cuba para la obtención de la licencia correspondiente.

POR CUANTO: La Resolución No. 173 del Banco Nacional de Cuba, de fecha 30 de junio de 1987 que contiene el "Reglamento para la autorización del establecimiento en Cuba de bancos y oficinas de representación bancarias", regula los trámites y requisitos para la solicitud y expedición de la referida licencia.

POR CUANTO: Banco de Sabadell, S.A. debidamente registrado y autorizado a operar de conformidad con las regulaciones vigentes en España, solicitó al Banco Nacional de Cuba a través de su Presidente, el otorgamiento de la licencia para el establecimiento de su oficina de representación en Cuba.

POR CUANTO: Banco de Sabadell, S.A. ha cumplido con los requisitos establecidos en las disposiciones legales antes citadas, necesarios para la apertura de su oficina de representación en Cuba.

POR CUANTO: El mencionado Decreto-Ley No. 84 en el Artículo 52 inciso b), faculta al Presidente del Banco Nacional de Cuba para dictar disposiciones de cumplimiento obligatorio por todos los integrantes del Sistema Bancario Nacional.

POR CUANTO: El que resuelve fue nombrado Presidente del Banco Nacional de Cuba por Acuerdo del Consejo de Estado de fecha 23 de enero de 1995, que fue ratificado por Acuerdo número 443 adoptado por la Asamblea Nacional del Poder Popular el 5 de septiembre de 1995.

POR TANTO: En uso de las facultades que me están conferidas,

Resuelvo:

UNICO: Otorgar a Banco de Sabadell, S.A. la licencia correspondiente para el establecimiento en Cuba de una oficina de representación en los términos que dispone el texto que se anexa a la presente resolución.

COMUNIQUESE: Al Presidente del Banco de Sabadell, S.A, a los Vicepresidentes Primeros, a los Vicepresidentes y al Auditor General del Banco Nacional de Cuba, al Ministro de Comercio Exterior, al Presidente de la Cámara de Comercio de la República de Cuba y al director de la Empresa para la Prestación de Servicios a Extranjeros (CUBALSE) y archívese el original en la Secretaría del Banco Nacional de Cuba.

PUBLIQUESE en la Gaceta Oficial de la República, para conocimiento general.

Dada en la Ciudad de La Habana, a los 16 días del mes de noviembre de mil novecientos noventa y cinco.

Francisco Soberón Valdés
Ministro-Presidente
Banco Nacional de Cuba

LICENCIA

Emitida a favor de Banco de Sabadell, S.A. con sede en Sabadell, España, para establecer, por tiempo indefinido, OFICINA DE REPRESENTACION en el territorio de la República de Cuba.

Esta LICENCIA autoriza a la OFICINA DE REPRESENTACION para llevar a cabo la gestión, promoción y coordinación de actividades lucrativas relacionadas con el negocio de la banca, que se realicen entre el banco representado y los bancos del Sistema Bancario Nacional y otras entidades nacionales incluidas aquellas que tienen participación de capital extranjero, de acuerdo a lo que se establece a continuación.

1. Gestionar, promover o coordinar el otorgamiento de depósitos, créditos, préstamos y demás formas de facilidades crediticias en monedas libremente convertibles con entidades nacionales incluidas aquéllas que tienen participación de capital extranjero.
2. Gestionar, promover o coordinar la profundización de las relaciones bancarias entre el banco representado y las instituciones bancarias cubanas.
3. Gestionar, promover o coordinar el asesoramiento en productos, procedimientos, mecanismos de control de la operatoria comercial para hacer más eficaz la gestión bancaria entre el banco representado y las entidades nacionales incluidas aquellas que tienen participación de capital extranjero.
4. Gestionar, promover o coordinar el otorgamiento de avales, garantías y demás formas de afianzamientos o garantías bancarias con entidades nacionales incluidas aquellas que tienen participación de capital extranjero.
5. Gestionar, o coordinar el pago o reembolso de gastos por concepto de comisiones y otros semejantes entre el banco representado y entidades nacionales, incluidas aquéllas que tienen participación de capital extranjero.
6. Gestionar, o coordinar el pago de intereses correspondientes a operaciones realizadas entre el banco representado y entidades nacionales, incluidas aquéllas que tienen participación de capital extranjero.
7. Gestionar, promover o coordinar la realización de acuerdos de corresponsalía entre el banco representado y entidades bancarias y financieras nacionales

incluidas aquéllas que tienen participación de capital extranjero.

8. Gestionar, promover o coordinar la apertura de nuevos mercados para los productos de exportación tradicionales y no tradicionales cubanos así como la realización de todas aquellas transacciones comerciales que conlleven a la participación, en el negocio en cuestión, del banco representado y entidades nacionales incluidas aquellas que tienen participación de capital extranjero.
9. Gestionar, promover o coordinar la realización de inversiones y el comercio bilateral así como el asesoramiento en líneas de crédito que faciliten tanto las inversiones como los intercambios comerciales y la atención y asesoramiento a nuestros clientes.
10. Gestionar, promover o coordinar la realización de todos aquellos negocios bancarios lícitos entre el banco representado y entidades nacionales incluidas aquéllas que tienen participación de capital extranjero.

Queda prohibido a la OFICINA DE REPRESENTACION realizar operaciones bancarias de tipo alguno en Cuba.

La OFICINA DE REPRESENTACION suministrará al Banco Nacional de Cuba y demás organismos que corresponda los datos e informes que le sean solicitados, ya sea para conocimiento de las referidas entidades o con motivo de las inspecciones que estas realicen, así como también exhibirá a los funcionarios del Banco Nacional de Cuba y demás organismos que correspondan, para su examen, los libros, documentos y demás antecedentes que soliciten.

La OFICINA DE REPRESENTACION, deberá solicitar su inscripción en el Registro General de Bancos dentro de los sesenta días hábiles siguientes a la fecha de emisión de la presente licencia, decursados los cuales sin solicitar la misma, se considerará nula y sin valor esta licencia.

Para su inscripción en el Registro General de Bancos, la OFICINA DE REPRESENTACION, presentará al Secretario del Banco Nacional de Cuba los siguientes documentos:

—Escrito dirigido al Secretario del Banco Nacional de Cuba expresando:
Nombre y demás generales del solicitante.
Carácter y facultades del solicitante.
Denominación y domicilio legal de la entidad bancaria que representa.
Domicilio en Cuba de la OFICINA DE REPRESENTACION.
Actividades que desea realizar en Cuba dicha entidad.

—Certificación de la licencia otorgada por el Banco Nacional de Cuba.

—Copia legalizada de la escritura de constitución y estatutos de la entidad bancaria a la que representa la oficina.

—Balance General certificado de la institución bancaria representada, correspondiente al último año fiscal anterior a la fecha de su establecimiento en Cuba.

La certificación que emita el Registro General de Bancos es el documento que acredita que la OFICINA DE REPRESENTACION en Cuba, representa a Banco de Sabadell, S.A.

Francisco Soberón Valdés
Ministro-Presidente
Banco Nacional de Cuba

BANCO NACIONAL DE CUBA
RESOLUTION NUMBER THREE HUNDRED TWENTY-NINE OF 1995

WHEREAS: Article 8 of Decree-Law No. 84 of October 13, 1984, provides that foreign banks wishing to establish representative offices in Cuba must submit an application to the Banco Nacional de Cuba to obtain the corresponding license.

WHEREAS: Resolution No. 173 of the Banco Nacional de Cuba dated June 30, 1987, containing the "Regulations on the authorization of the establishment in Cuba of banks and bank representative offices" governs the procedures and requirements for the application and issue of the aforementioned license.

WHEREAS: Société Générale, duly registered and authorized to operate pursuant to the current regulations in France, applied to the Banco Nacional de Cuba, via its President, for the granting of a license to establish its representative office in Cuba.

WHEREAS: Société Générale has complied with the requirements set forth in the aforementioned legal provisions that are necessary to open its representative office in Cuba.

WHEREAS: Article 52 paragraph b) of the aforementioned Decree-Law No. 84 empowers the President of the Banco Nacional de Cuba to issue provisions for mandatory compliance by all members of the Sistema Bancario Nacional [National Banking System].

WHEREAS: The person issuing this resolution was appointed President of the Banco Nacional de Cuba by Agreement of the Council of State on January 23, 1995, ratified by Agreement number 443 adopted by the National Assembly of Popular Power on September 5, 1995.

THEREFORE: In exercise of the powers conferred on me, I hereby

Resolve:

SINGULAR: To grant Société Générale the corresponding license for the establishment in Cuba of a representative office under the terms set forth in the text appended to the present resolution

LET IT BE COMMUNICATED: To the President of Société Générale, the Senior Vice Presidents, the Vice Presidents and the Auditor General of the Banco Nacional de Cuba, the Minister of Foreign Trade, the President of the Chamber of Commerce of the Republic of Cuba and the Director of the Empresa para la Prestación de Servicios a Extranjeros [Company for the Provision of Services to Foreigners — CUBALSE], and let the original be archived with the Office of the Secretary of the Banco Nacional de Cuba.

LET IT BE PUBLISHED in the Gaceta Oficial de la República [Official Gazette of the Republic] for general information purposes.

Issued in the City of Havana on the 16th day of the month of November, nineteen ninety-five.

Francisco Soberón Valdés
Minister-President
Banco Nacional de Cuba

LICENSE

Issued in favor of Société Générale domiciled in Paris, France, to establish a REPRESENTATIVE OFFICE in the territory of the Republic of Cuba for an indefinite period.

This LICENSE authorizes the REPRESENTATIVE OFFICE to engage in the management, promotion and coordination of for-profit activities relating to the banking sector carried out between the represented bank and the banks of the National Banking System and other domestic entities, including those that are partly under foreign ownership.

1. Manage, promote or coordinate the granting of deposits, credits, loans and other types of credit facility in freely convertible currencies with domestic entities, including those that are partly under foreign ownership.
2. Manage, promote or coordinate a strengthening of banking relations between the represented bank and Cuban banking institutions.
3. Manage, promote or coordinate advice with products, procedures and commercial operations oversight mechanisms to improve banking transactions between the represented bank and domestic entities, including those that are partly under foreign ownership.
4. Manage, promote or coordinate the granting of guaranties, guarantees and other forms of bank sureties or guarantees with domestic entities, including those that are partly under foreign ownership.
5. Manage or coordinate the payment or reimbursement of expenses in respect of commissions and the like between the represented bank and domestic entities, including those that are partly under foreign ownership.
6. Manage or coordinate the payment of interest on operations carried out between the represented bank and domestic entities, including those that are partly under foreign ownership.
7. Manage, promote or coordinate the formalization of corresponding agreements between the represented bank and domestic entities, including those that are partly under foreign ownership.
8. Manage, promote or coordinate the opening of new markets for traditional and nontraditional Cuban export products together with the completion of such commercial transactions involving the participation, in the business in question, of the represented bank and domestic entities, including those that are partly under foreign ownership.
9. Manage, promote or coordinate investment by those investors that are interested in the Cuban market, as well as facilitating contacts with clients of Société Générale that have or wish to establish or develop trade and investment in Cuba.
10. Manage, promote or coordinate the completion of all lawful banking transactions between the represented bank and domestic entities, including those that are partly under foreign ownership.

It is prohibited for the REPRESENTATIVE OFFICE to carry out banking operations of any type in Cuba.

The REPRESENTATIVE OFFICE shall provide the Banco Central de Cuba and such other bodies as are applicable any data and reports requested of it, either for the information of the aforementioned entities or in connection with investigations carried out by them, and shall also open such books, documents and other background information that may be requested for examination by the officials of the Banco Central de Cuba and the other bodies.

The REPRESENTATIVE OFFICE must also request registration with the Registro General de Bancos [General Registry of Banks] within sixty working days of the date of issue of the present license, failing which this license shall be deemed null and void.

The REPRESENTATIVE OFFICE shall submit the following documents to the Secretary of the Banco National for registration with the General Registry of Banks:

— Application sent to the Secretary of the Banco Nacional de Cuba providing:
  The name and other information of the applicant.
  The nature and powers of the applicant.
  The business name and legal domicile of the represented banking entity.

Domicile in Cuba of the REPRESENTATIVE OFFICE.

Activities that entity desires to carry out in Cuba.

— Authentication of the license granted by the Banco Nacional de Cuba.
— Legalized copy of the articles of incorporation and bylaws of the banking entity represented by the office.
— Certified General Balance Sheet of the represented banking institution for the most recent tax year prior to the date of its establishment in Cuba.

The authentication issued by the General Registry of Banks is the document certifying that the REPRESENTATIVE OFFICE in Cuba represents Société Générale.

Francisco Soberón Valdés
Minister-President
Banco Nacional de Cuba

RESOLUTION NUMBER THREE HUNDRED THIRTY OF 1995

WHEREAS: Article 8 of Decree-Law No. 84 of October 13, 1984, provides that foreign banks wishing to establish representative offices in Cuba must submit an application to the Banco Nacional de Cuba to obtain the corresponding license.

WHEREAS: Resolution No. 173 of the Banco Nacional de Cuba dated June 30, 1987, containing the "Regulations on the authorization of the establishment in Cuba of banks and bank representative offices" governs the procedures and requirements for the application and issue of the aforementioned license.

WHEREAS: Banco de Sabadell, S.A., duly registered and authorized to operate pursuant to the current regulations in Spain, applied to the Banco Nacional de Cuba, via its President, for the granting of a license to establish its representative office in Cuba.

WHEREAS: Banco de Sabadell, S.A., has complied with the requirements set forth in the aforementioned legal provisions that are necessary to open its representative office in Cuba.

WHEREAS: Article 52 paragraph b) of the aforementioned Decree-Law No. 84 empowers the President of the Banco Nacional de Cuba to issue provisions for mandatory compliance by all members of the National Banking System.

WHEREAS: The person issuing this resolution was appointed President of the Banco Nacional de Cuba by Agreement of the Council of State on January 23, 1995, ratified by Agreement number 443 adopted by the National Assembly of Popular Power on September 5, 1995.

THEREFORE: In exercise of the powers conferred on me, I hereby

Resolve:

SINGULAR: To grant Banco de Sabadell, S.A., the corresponding license for the establishment in Cuba of a representative office under the terms set forth in the text appended to the present resolution

LET IT BE COMMUNICATED: To the President of Banco de Sabadell, S.A., the Senior Vice Presidents, the Vice Presidents and the Auditor General of the Banco Nacional de Cuba, the Minister of Foreign Trade, the President of the Chamber of Commerce of the Republic of Cuba and the Director of the Company for the Provision of Services to Foreigners (CUBALSE), and let the original be archived with the Office of the Secretary of the Banco Nacional de Cuba.

LET IT BE PUBLISHED in the Official Gazette of the Republic for general information purposes.

Issued in the City of Havana on the 16th day of the month of November, nineteen ninety-five.

LICENSE

Issued in favor of Banco de Sabadell, S.A., domiciled in Sabadell, Spain, to establish a REPRESENTATIVE OFFICE in the territory of the Republic of Cuba for an indefinite period.

This LICENSE authorizes the REPRESENTATIVE OFFICE to engage in the management, promotion and coordination of for-profit activities relating to the banking sector carried out between the represented bank and the banks of the National Banking System and other domestic entities, including those that are partly under foreign ownership.

1. Manage, promote or coordinate the granting of deposits, credits, loans and other types of credit facility in freely convertible currencies with domestic entities, including those that are partly under foreign ownership.
2. Manage, promote or coordinate a strengthening of banking relations between the represented bank and Cuban banking institutions.
3. Manage, promote or coordinate advice with products, procedures and commercial operations oversight mechanisms to improve banking transactions between the represented bank and domestic entities, including those that are partly under foreign ownership.
4. Manage, promote or coordinate the granting of guaranties, guarantees and other forms of bank sureties or guarantees with domestic entities, including those that are partly under foreign ownership.
5. Manage or coordinate the payment or reimbursement of expenses in respect of commissions and the like between the represented bank and domestic entities, including those that are partly under foreign ownership.
6. Manage or coordinate the payment of interest on operations carried out between the represented bank and domestic entities, including those that are partly under foreign ownership.
7. Manage, promote or coordinate the formalization of corresponding agreements between the represented bank and domestic entities,

including those that are partly under foreign ownership.

8. Manage, promote or coordinate the opening of new markets for traditional and nontraditional Cuban export products together with the completion of such commercial transactions involving the participation, in the business in question, of the represented bank and domestic entities, including those that are partly under foreign ownership.
9. Manage, promote or coordinate investment by those investors that are interested in the Cuban market, as well as facilitating contacts with clients of Banco de Sabadell, S.A., that have or wish to establish or develop trade and investment in Cuba.
10. Manage, promote or coordinate the completion of all lawful banking transactions between the represented bank and domestic entities, including those that are partly under foreign ownership.

It is prohibited for the REPRESENTATIVE OFFICE to carry out banking operations of any type in Cuba.

The REPRESENTATIVE OFFICE shall provide the Banco Central de Cuba and such other bodies as are applicable any data and reports requested of it, either for the information of the aforementioned entities or in connection with investigations carried out by them, and shall also open such books, documents and other background information that may be requested for examination by the officials of the Banco Central de Cuba and the other bodies.

The REPRESENTATIVE OFFICE must also request registration with the General Registry of Banks within sixty working days of the date of issue of the present license, failing which this license shall be deemed null and void.

The REPRESENTATIVE OFFICE shall submit the following documents to the Secretary of the Banco National for registration with the General Registry of Banks:

— Application sent to the Secretary of the Banco Nacional de Cuba providing:

The name and other information of the applicant.

The nature and powers of the applicant.

The business name and legal domicile of the represented banking entity.

Domicile in Cuba of the REPRESENTATIVE OFFICE.

Activities that entity desires to carry out in Cuba.

— Authentication of the license granted by the Banco Nacional de Cuba.

— Legalized copy of the articles of incorporation and bylaws of the banking entity represented by the office.

— Certified General Balance Sheet of the represented banking institution for the most recent tax year prior to the date of its establishment in Cuba.

The authentication issued by the General Registry of Banks is the document certifying that the REPRESENTATIVE OFFICE in Cuba represents Banco de Sabadell, S.A.

Francisco Soberón Valdés
Minister-President
Banco Nacional de Cuba

TRANSPERFECT

City of New York, State of New York, County of New York

I, Aurora Landman, hereby certify that the document "**GO_O_030_1995 - For Translation**" is, to the best of my knowledge and belief, a true and accurate translation from Spanish into English.

Aurora Landman

Sworn to before me this
September 6, 2019

Signature, Notary Public

WENDY POON
NOTARY
NO. 01PO6356754
QUALIFIED IN
QUEENS COUNTY
COMM. EXP.
04-03-2021
PUBLIC
STATE OF NEW YORK

Stamp, Notary Public