

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

In the Matter of

ILEANA ACEVEDO DIAZ,

A Former Institution-Affiliated Party of

BANCO POPULAR DE PUERTO RICO
San Juan, Puerto Rico

Docket No. 21-028-E-I

Order of Prohibition Issued Upon
Consent Pursuant to Section 8(e) of
the Federal Deposit Insurance Act,
as Amended.

WHEREAS, the Board of Governors of the Federal Reserve System (the “Board of Governors”), pursuant to section 8(e) of the Federal Deposit Insurance Act, as amended (the “FDI Act”), 12 U.S.C. §§ 1818(e), issues this Order of Prohibition (this “Order”) upon the consent of Respondent Ileana Acevedo Diaz (“Acevedo Diaz”), a former employee and institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), of Banco Popular de Puerto Rico (the “Bank”), a state-member bank;

WHEREAS, between 2017 and 2019, while employed as a branch manager at the Bank, Acevedo Diaz made unauthorized transactions in a customer’s individual retirement accounts, which caused a loss of approximately \$32,000 to the Bank;

WHEREAS, Acevedo Diaz’s conduct constituted violations of law or regulation, unsafe or unsound banking practices, or breaches of fiduciary duty, and involved personal dishonesty or demonstrated a willful or continuing disregard for the safety and soundness of the Bank;

WHEREAS, the Bank terminated Acevedo Diaz on August 12, 2020, and she is no longer involved in banking; and

WHEREAS, by affixing her signature hereunder, Acevedo Diaz has consented to the issuance of this Order by the Board of Governors and has agreed to comply with each and every provision of this Order, and has waived any and all rights she might have pursuant to 12 U.S.C. § 1818, 12 CFR Part 263, or otherwise: (a) to the issuance of a notice of intent to prohibit on any other matter implied or set forth in this Order; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, terms, validity, effectiveness, or enforceability of this Order or any provision hereof.

NOW THEREFORE, before the filing of any notices, or the taking of any testimony or adjudication of or finding on any issue of fact or law herein, and without Acevedo Diaz admitting or denying any allegation made or implied by the Board of Governors in connection herewith, and solely for the purpose of settlement of this matter without a formal proceeding being filed and without the necessity for protracted litigation or extended hearings,

IT IS HEREBY ORDERED THAT:

1. Acevedo Diaz, without the prior written approval of the Board of Governors and, where necessary pursuant to section 8(e)(7)(B) of the FDI Act, 12 U.S.C. § 1818(e)(7)(B), another Federal financial institutions regulatory agency, is hereby and henceforth prohibited from:

- a. participating in any manner in the conduct of the affairs of any institution or agency specified in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A), including, but not limited to, any insured depository institution or

any holding company of an insured depository institution, or any subsidiary of such holding company, or any foreign bank or company to which subsection (a) of 12 U.S.C § 3106 applied and any subsidiary of such foreign bank or company;

- b. soliciting, procuring, transferring, attempting to transfer, voting or attempting to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A);
- c. violating any voting agreement previously approved by any Federal banking agency; or
- d. voting for director, or serving or acting as an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. § 1813(u) and 1818(b)(3), such as an officer, director or employee, in any institution described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A).

2. All communications regarding this Order shall be addressed to:

- (a) Richard M. Ashton, Esq.
Deputy General Counsel
David Williams, Esq.
Associate General Counsel
Board of Governors of
the Federal Reserve System
20th & C Streets NW
Washington, DC 20551

- (b) Ileana Acevedo Diaz

3. Any violation of this Order shall separately subject Acevedo Diaz to appropriate civil or criminal penalties, or both, under sections 8(i) and (j) of the FDI Act, 12 U.S.C §§ 1818(i) and (j).

4. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, or any other Federal or state agency or department, from taking any other action affecting Acevedo Diaz; provided, however, that the Board of Governors shall not take any further action against Acevedo Diaz on any matters concerning or arising from the matters addressed by this Order based upon facts presently known by the Board of Governors. This release and discharge shall not preclude or affect (i) any right of the Board of Governors to determine and ensure compliance with this Order, or (ii) any proceedings brought by the Board of Governors to enforce the terms of this Order.

5. Each provision of this Order shall remain fully effective and enforceable until expressly stayed, modified, terminated, or suspended in writing by the Board of Governors.

By order of the Board of Governors of the Federal Reserve System, effective this 8th day of October, 2021.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

/s/ Ileana Acevedo Diaz
Ileana Acevedo Diaz

By: /s/ Ann E. Misback
Ann E. Misback
Secretary of the Board