

ALERT 98-41

Type: Suspicious Transactions

Subject: Banca Populara Ardealul

Date: November 20, 1998

TO: Chief Executive Officers of all National Banks; all State Banking Authorities; Chairman, Board of Governors of the Federal Reserve System; Chairman, Federal Deposit Insurance Corporation; Conference of State Bank Supervisors; Deputy Comptrollers (Districts); Assistant Deputy Comptrollers; District Counsel and Examining Personnel.

RE: This Alert supersedes Alert 98-15

Information recently has been received that the subject entity, while not licensed by the National Bank of Romania (Central Bank), is entered on the Register of Commerce as a "credit-cooperative-popular bank" (Law No. 109/1996). This entity reportedly issued \$650 million (U.S.) face value debt obligations which were not funded as agreed. These instruments subsequently have been in effect cancelled. However, it has been reported that some of these instruments denominated at \$25 million each remain in circulation. Banca Populara Ardealul states that any such instruments are to be considered "fake and false".

Any information which you may have concerning this matter should be reported to:

Banca Populara Ardealul  
Piata Petru Rares nr.  
7A, Bistrita BN, Romania  
Tel/Fax 4063 323 135 and;

Office of the Comptroller of the Currency  
Enforcement & Compliance Division  
250 E Street SW  
Washington, D.C. 20219  
Fax (202) 874-5301

---

Daniel P. Stipano  
Director  
Enforcement & Compliance Division