

#2002-109

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY**

In the Matter of:)	
Donald Fields)	
Former Director)	AA-EC-02-09
Citizens National Bank & Trust of Hazard)	
Hazard, Kentucky)	

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate a cease and desist proceeding against Donald Fields (“Respondent”) pursuant to 12 U.S.C. § 1818(b) for activities detailed in a Report of Examination dated December 31, 2000; and

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, the Comptroller and Respondent desire to enter into this Stipulation and Consent Order (“Order”);

NOW, THEREFORE, in consideration of the above premises, the Comptroller, through his duly authorized representative, and Respondent stipulate and agree that:

Article I

JURISDICTION

(1) Citizens National Bank & Trust of Hazard (“Bank”) was a national banking association, chartered and examined by the Comptroller, pursuant to the National Bank

Act of 1864, as amended, 12 U.S.C. § 1 et seq. Accordingly, the Bank was an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent was a director of the Bank and is an “institution-affiliated party” of the Bank as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years from the date hereof (*see* 12 U.S.C. § 1818(i)(3)).

(3) Pursuant to 12 U.S.C. § 1813(q), the Comptroller is the “appropriate Federal banking agency” to maintain an enforcement proceeding against institution-affiliated parties. Therefore, Respondent is subject to the authority of the Comptroller to initiate and maintain a cease and desist proceeding against him pursuant to 12 U.S.C. § 1818(b).

Article II

REQUIRED ACTIONS

(1) Whenever Respondent becomes an institution-affiliated party, within the meaning of 12 U.S.C. § 1813(u), with respect to an insured depository institution, Respondent shall:

- (a) Prior to or within five (5) days after becoming an institution-affiliated party, disclose to the board of directors of the insured depository institution a copy of this Order;
- (b) Disclose, in a timely manner, to the board of directors of the insured depository institution all information in his possession relevant to any matter before the board if Respondent may experience a direct or indirect

benefit in connection with the matter, apart from the benefit experienced by directors, employees, or stockholders generally of the institution;

- (c) Abstain from all discussions of the merits of the matter and recuse himself from all votes and decisions on the matter; and
- (d) Take all reasonable steps to ensure that his disclosure, abstention and recusal are reflected in the board minutes of the insured depository institution.

(2) In the event Respondent is uncertain about any of his obligations under this Order, Respondent shall obtain independent legal advice in a timely manner. Respondent shall retain written documentation of the legal advice rendered.

Article III

WAIVERS

- (1) By executing this Order, Respondent waives:
 - (a) The right to the issuance of Notice of Charges under 12 U.S.C. § 1818(b);
 - (b) All rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and 12 C.F.R. Part 19;
 - (c) All rights to seek judicial review of this Order;
 - (d) All rights in any way to contest the validity of this Order;
 - (e) Any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, related in any way to this enforcement matter or this Order, whether arising under common law or under the terms

of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412; and

(f) All rights to assert a “double jeopardy” claim in the event of a criminal prosecution brought by the Department of Justice for the acts which form the basis for issuance of this Order.

(2) Respondent shall not cause, participate in or authorize the Bank (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any legal (or other professional) expense relative to the negotiation and issuance of this Order; and, in accordance with 12 C.F.R. § 7.2014, Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from the Bank (or any subsidiary or affiliate thereof) with respect to such amounts.

(3) Respondent acknowledges that he has read and understands the premises and obligations of this Order and declares that no separate promise or inducement of any kind has been made by the Comptroller, his agents or employees to cause or induce the Respondent to agree to consent to the issuance of this Order and/or to execute this Order.

(4) It is hereby agreed that the provisions of this Order constitute a settlement of the cease and desist proceeding contemplated by the Comptroller. The Comptroller agrees not to institute proceedings for the specific acts, omissions, or violations contained in the Report of Examination dated December 31, 2000, unless such acts, omissions, or violations reoccur.

(5) It is further agreed that the provisions of this Order shall not be construed as an adjudication on the merits and, except as set forth above, shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any action affecting the Respondent if, at any time, he deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(6) Respondent understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order, and that nothing herein constitutes, nor shall Respondent contend that it constitutes, a waiver of any right, power, or authority of any other representatives of the United States or agencies thereof, including the Department of Justice, to bring other actions deemed appropriate.

IN TESTIMONY WHEREOF, the undersigned have hereunto set their hands.

/s/ Ronald G. Schneck

10/21/02

Ronald G. Schneck
Director
Special Supervision/Fraud

Date

Signed
Donald Fields

9-18-02

Date