

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

In the Matter of:)
Penelope Joy Cartright)
Former Loan Officer)
Zions First National Bank)
Salt Lake City, Utah)

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate cease and desist proceedings against Penelope Joy Cartright (“Respondent”) pursuant to 12 U.S.C. § 1818(b) (as amended) for activities related to a loan in the approximate amount of Three Thousand Five Hundred Dollars (\$3,500) approved by Respondent on or about March 31, 2000, and for activities related to a loan in the approximate amount of Twenty Four Thousand, Fifty-Nine Dollars (\$24,059) approved by Respondent on or about June 23, 2000;

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, it is stipulated by and between the Comptroller, through his duly authorized representative, and Respondent, without admitting or denying any wrongdoing, that:

Article I

JURISDICTION

(1) Zions First National Bank (“Bank”) is 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 is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent was formerly a loan officer of the Bank and was 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 her pursuant to 12 U.S.C. § 1818(b).

Article II

PERSONAL CEASE AND DESIST ORDER

(1) Pursuant to the authority vested in him by the Federal Deposit Insurance Act, 12 U.S.C. § 1818, as amended, the Comptroller hereby orders that:

- (a) if Respondent is currently an “institution-affiliated party” (as defined in 12 U.S.C. § 1813(u)) of any institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), Respondent shall provide the Chief

Executive Officer and the Board of Directors of such institution or agency with a copy of this Stipulation and Consent Order (“Order”) within ten (10) days of the date of this Order;

- (b) prior to accepting any position that would cause her to become an “institution-affiliated party” (as defined in 12 U.S.C. § 1813(u)) of any other institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), Respondent shall provide the Chief Executive Officer and the Board of Directors of such institution or agency with a copy of this Order;
- (c) Respondent shall not participate in, or seek to influence, any lending activity, including, but not limited to, solicitation, credit analysis, approval, or ongoing credit management for any extension of credit, including extensions or renewals, made by any insured depository institution or agency to which she is or may become affiliated;
- (d) Respondent shall abstain from all discussions of the merits, and recuse herself from all votes and decisions, in any matter in which Respondent, or any member of her family, including her spouse, children, parents or siblings, or any person who acts on her behalf or the foregoing persons’ behalf, or any of the Respondent’s or the foregoing persons’ Related Interests (as the term is defined in

12 C.F.R. § 215.2) may experience a direct or indirect benefit in connection with the matter;

- (e) Respondent shall at all times comply fully with all applicable laws and regulations of any applicable bank regulatory agency;
- (f) Respondent shall not engage in any unsafe or unsound practice, as that term is used in Title 12 of the United States Code;
- (g) Respondent shall not breach the fiduciary duties of loyalty or care owed to any insured depository institution with which she is or may become affiliated, and Respondent shall, at all times, avoid placing her own interests above those of the institution; and
- (h) Respondent shall adhere to the written policies and procedures, including the applicable conflicts of interest policy, of any insured depository institution or agency to which she is or may become affiliated, or seek and receive written permission from appropriate authorized individuals to do otherwise.

(2) If, at any time, Respondent is uncertain whether a situation implicates this Article, or if Respondent is uncertain about her duties or responsibilities arising from this Article, she shall obtain and abide by the written advice of legal counsel regarding her duties and responsibilities with respect to the matter.

Article III

WAIVERS

(1) By executing this Order, Respondent waives:

- (a) the right to the issuance of Notices 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 except in accordance with 12 C.F.R. § 7.2014 and Part 359; and 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 except in accordance with 12 C.F.R. § 7.2014 and Part 359.

(3) Respondent acknowledges that she 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 full settlement of the cease and desist proceedings contemplated by the Comptroller against the Respondent. The Comptroller agrees not to institute proceedings against Respondent for the specific acts, omissions, or violations that form the premises for this Order, 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 in paragraph (4), 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 representative of the United States or agencies thereof, including

the Department of Justice, except as set forth above in paragraph (4), to bring other actions deemed appropriate.

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

/s/ Ronald G. Schneek, for

7/31/03

Timothy W. Long
Senior Deputy Comptroller
for Mid-size/Community Bank Supervision

Date

Signed
Penelope Joy Cartright
Respondent

7-18-03
Date