

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

In the Matter of:)
Toinette Rossi)
Director and Executive Vice-President)
Delta National Bank)
Manteca, California)

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate cease and desist and civil money penalty proceedings against Toinette Rossi (“Respondent”) pursuant to 12 U.S.C. § 1818(b) and (i) (as amended) for activities detailed in a Report of Examination dated August 28, 2001; 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, it is stipulated by and between the Comptroller, through his duly authorized representative, and Respondent that:

Article I

JURISDICTION

(1) Delta 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 is a Director and Executive Vice-President 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 these cease and desist and civil money penalty proceedings against her pursuant to 12 U.S.C. § 1818(b) and (i).

Article II

PERSONAL CEASE AND DESIST ORDER

(1) Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that, whenever Respondent is employed by an insured depository institution or becomes an institution-affiliated party

within the meaning of 12 U.S.C. § 1813(u), Respondent, without admitting or denying any wrongdoing, shall:

- (a) 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 the Order;
- (b) not participate in, or seek to influence, any lending activity, including, but not limited to, soliciting, loan document preparation, underwriting, 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;
- (c) abstain from all discussions of the merits of the matter and recuse herself from all votes and decisions on any matter before the board, or any committee of the board, that the Respondent or any member of her family, including her spouse, children, parents or siblings, any person who acts on her behalf, and 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, apart from the benefit experienced by directors, employees, or stockholders generally of the institution and take all reasonable steps to ensure that her disclosure, abstention and recusal are reflected in the board minutes, or committee minutes, of the insured depository institution;

- (d) at all times comply fully with all applicable laws and regulations of any applicable bank regulatory agency;
- (e) avoid engaging in any unsafe or unsound practices, as that term is used in Title 12 of the United States Code;
- (f) not breach the fiduciary duties of loyalty or care owed to any insured depository institution with which she is or may become affiliated and shall, at all times, avoid placing her own interests above those of the institution; and
- (g) 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) To comply with paragraph (1) of this Article, Respondent shall (among other things):

- (a) be diligent to ensure that – within the scope of her duties and influence at any insured depository institution or agency – the books and records of the insured depository institution or agency reflects the complete, true and accurate nature of all transactions to the extent that she is responsible for maintaining such books and records, or to the extent that she makes statements and representations that are relied upon for recordation in such books and records; and
- (b) be diligent to ensure that – within the scope of her duties and influence at any insured depository institution or agency – adequate and appropriate controls, to the extent that she is responsible for developing and maintaining such controls, are in place and that any employees reporting to her are adequately trained and supervised.

(3) If, at any time, Respondent is uncertain whether a situation implicates paragraphs (1) or (2) of this Article, or if Respondent is uncertain about her duties arising from such paragraphs, she shall obtain and abide by the written advice of counsel regarding her duties and responsibilities with respect to the matter.

Article III

CIVIL MONEY PENALTY

(1) Without admitting or denying any wrongdoing, Respondent hereby consents to the payment of a civil money penalty in the amount of forty-five thousand dollars (\$45,000), which shall be paid in full no later than July 22, 2003. Respondent shall make

payment by check payable to the Treasurer of the United States and shall deliver the payment to: Comptroller of the Currency, P.O. Box 73150, Chicago, Illinois 60673-7150.

(2) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. § 1818(h) and (i) (as amended).

(3) Within seven (7) days from the issuance of this Order, Respondent shall notify the Director of the Enforcement & Compliance Division (Director) of her current address, by completing the form attached hereto as Appendix A.

(4) Until the civil money penalty is paid in full, upon each and every subsequent change in address, if any, Respondent shall notify the Director of her new address within seven (7) days of such change in address.

Article IV

WAIVERS

(1) By executing this Order, Respondent waives:

- (a) the right to the issuance of Notices under 12 U.S.C. § 1818(b) and (i);
- (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and (i) 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 expense for the payment of the civil money penalty under this Order, or 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 these cease and desist and civil money penalty proceedings contemplated by the Comptroller against the Respondent. The Comptroller agrees not to institute proceedings for the specific acts, omissions, or violations contained in the Report of Examination dated August 28, 2001, against the Respondent 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/ Tim Long

6-2-03

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

Signed
Toinette Rossi

Date

5/23/03

Date