

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

IN THE MATTER OF:)
)
CATHY G. SCARLETT,)
FORMER TELLER)
U.S. BANK, N.A. d/b/a/)
COLORADO NATIONAL BANK)
MINNEAPOLIS, MINNESOTA)

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 Cathy G. Scarlett (“Respondent”), pursuant to 12 U.S.C. § 1818(b), through the issuance of a Notice of Charges (“Notice”) for certain actions and omissions of Respondent while serving as a teller of U.S. Bank, N.A. d/b/a Colorado National Bank, Minneapolis, MN (“Bank”);

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

NOW, THEREFORE, the Comptroller, through his duly authorized representative, and Respondent, without admitting or denying any wrongdoing, stipulate and agree to the following:

ARTICLE I

(1) The 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 a Teller of the Bank and is an “institution-affiliated party” of the Bank as that term is defined in 12 U.S.C. § 1813(u) (hereinafter “IAP”), 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 cease and desist proceedings against her pursuant to 12 U.S.C. § 1818(b).

ARTICLE II

(4) Should Respondent seek employment with an insured depository institution, she shall immediately notify the insured depository institution where she is employed, of the issuance of the Cease and Desist Order against her.

(5) Without admitting or denying any wrongdoing, when acting for or on behalf of an insured depository institution as an IAP Respondent shall:

- (a) safeguard with prudence and diligence the assets and property of the insured depository institution with which Respondent is associated as an IAP; and
- (b) ensure that any actions or practices by Respondent are undertaken in the best interests of the insured depository institution with which she is associated as an IAP, and are consistent with the safety and soundness of the institution.

(6) If at any time, Respondent is unsure about her duties arising from this Order, including but not limited to whether a situation implicates the provisions of Paragraphs (4) or (5) hereof, she shall obtain and abide by the written advice of counsel with respect to Respondent’s

duties and responsibilities.

ARTICLE III

(7) Respondent hereby waives:

- (a) the right to the issuance of a Notice of Charges pursuant to 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 and/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 claim of double jeopardy 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.

(8) 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 related to the negotiation and issuance of this Order.

(9) Respondent acknowledges that she has read and understands the premises and obligations of the Stipulation and Consent 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 execute the Stipulation.

ARTICLE VI

(10) It is hereby agreed that the provisions of the Stipulation and Consent Order constitute a settlement of the cease and desist action contemplated by the Comptroller. The Comptroller agrees not to institute further enforcement proceedings for the specific acts and omissions described in the letter of October 7, 2002 unless such acts or omissions recur.

(11) This Order is and shall be immediately 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(b). This Order is and shall be considered “an order issued with the consent of the . . . institution-affiliated party concerned,” within the meaning of 12 U.S.C. § 1818(h)(2).

(12) The provisions of this Order shall not be construed as an adjudication on the merits and, except as set forth in Paragraph (10), shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Respondent if at any time he deems it appropriate to do so to fulfill the responsibilities placed upon her by the several laws of the United States of America.

(13) Nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order.

(14) Nothing herein 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

