

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

In the Matter of:)	
Mitchell Aronson)	
Former Board Secretary)	AA-EC-12-93
)	
Security Bank, N.A.)	
North Lauderdale, Florida)	

CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate this civil money penalty proceeding against Mitchell Aronson (“Respondent”) pursuant to 12 U.S.C. § 1818(i) on the basis of Respondent’s association with Security Bank, N.A., North Lauderdale, Florida (“Bank”) as Secretary of the Bank’s Board of Directors during May 2007 to August 8, 2010, and as a *de facto* employee of the Bank during March 2007 to January 2011;

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, Respondent, without admitting or denying any wrongdoing, desires to enter into this Consent Order (“Order”) issued pursuant to 12 U.S.C. § 1818(i);

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) The Bank was formerly 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. during the period relevant to this action. Accordingly, the Bank was an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2). The Bank was closed and the Federal Deposit Insurance Corporation (“FDIC”) was appointed Receiver on May 4, 2012.

(2) Respondent was Secretary to the Bank’s board of directors and a *de facto* Bank employee 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)(1), the Comptroller is the “appropriate Federal banking agency” to maintain enforcement proceedings against institution-affiliated parties. Therefore, Respondent is subject to the authority of the Comptroller to initiate and maintain this civil money penalty proceeding against him pursuant to 12 U.S.C. § 1818(i).

Article II

COMPTROLLER’S FINDINGS

The Comptroller finds, and Respondent neither admits nor denies, the following:

(1) Respondent was associated with the Bank during the period March 2007 to January 2011. He served as Secretary to the Bank’s board of directors from May 7, 2010 to August 8, 2010, and as a *de facto* Bank employee throughout his association with the Bank.

(2) As Secretary, Respondent attended board meetings and reviewed minutes to board and committee meetings. Throughout his entire association with the Bank, Respondent also performed administrative services relating to the Bank’s non-performing loans and other real

estate owned (“OREO”) properties as a *de facto* employee. Accordingly, Respondent was an institution-affiliated party (“IAP”) of the Bank.

(3) On April 13, 1988, Respondent pled guilty to and was convicted of the criminal offenses of conspiracy to conceal taxable income and evasion of income tax. Twelve U.S.C. § 1829 prohibits “any person who has been convicted of any criminal offense involving dishonesty” from becoming or serving as an IAP of any insured depository institution without the prior written consent of the FDIC. Conspiracy to conceal taxable income and evasion of income tax are considered crimes involving dishonesty for the purposes of 12 U.S.C. § 1829.

(4) By reason of the foregoing conduct, Respondent violated 12 U.S.C. § 1829(a) and the Comptroller is entitled to seek a civil money penalty against Respondent pursuant to 12 U.S.C. §1818(i)(2)(A)(i).

Article III

CIVIL MONEY PENALTY

Respondent consents to, and it is ORDERED that:

(1) Respondent shall pay a civil money penalty in the amount of ten thousand dollars (\$10,000), which shall be paid in full upon execution of this Order.

(2) Respondent shall make payment by certified or cashier’s check payable to the Treasurer of the United States, and shall deliver the payment to: Comptroller of the Currency, P.O. Box 979012, St. Louis, Missouri 63197-9000. The docket number of this case (AA-EC-12-93) shall be entered on the check.

(3) Respondent shall deliver a copy of the check to Director, Enforcement and Compliance Division, Office of the Comptroller of the Currency, 250 E Street SW, Washington, DC 20219 together with this Order.

(4) 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(i).

Article IV

OTHER PROVISIONS

- (1) By executing this Order, Respondent waives:
- (a) the right to the issuance of a Notice under 12 U.S.C. § 1818(i);
 - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(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; and
 - (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.
- (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 as permitted by 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 as permitted by 12 C.F.R. § 7.2014 and Part 359.

(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 Respondent to agree to consent to the issuance of this Order and/or to execute this Order.

(4) The provisions of this Order constitute a settlement of this civil money penalty proceeding arising out of the specific acts, omissions, or violations described in the Comptroller's Findings (Article II of this Order). However, the specific acts, omissions, or violations described in the Comptroller's Findings may be used by the OCC in future enforcement actions to establish a pattern of practice of misconduct or the continuation of a pattern or practice or misconduct.

(5) The provisions of this Order shall not be construed as an adjudication on the merits and, except as set forth above in paragraph four (4) of this Article, shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any action affecting 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) Nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order, and 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.

(7) Respondent shall notify the OCC of the address of his current place of residence by completing the form attached hereto as Appendix A and returning it together with this Order.

IN TESTIMONY WHEREOF, the undersigned has hereunto set his hand.

/s/ Michelle Aronson
Mitchell Aronson

9/17/2012
Date

IT IS SO ORDERED.

/s/ Henry Fleming
Henry Fleming
Director
Special Supervision Division

1/4/2013
Date