

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

<b>In the Matter of:</b>	)	
George Hall	)	
Former President of the Florida Market	)	AA-EC-16-04
	)	
Superior Bank	)	
Birmingham, Alabama	)	

**CONSENT ORDER**

WHEREAS, the Office of the Comptroller of the Currency (“OCC”) intends to initiate Prohibition proceedings against George Hall (“Respondent”) pursuant to 12 U.S.C. § 1818(e) on the basis of Respondent’s activities while serving as President of the Florida Market of Superior Bank, Birmingham, Alabama (“Bank”);

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 consent to the issuance of this Consent Order (“Order”) issued pursuant to 12 U.S.C. § 1818(e);

NOW, THEREFORE, it is stipulated by and between the OCC, through the duly authorized representative of the Comptroller of the Currency (“Comptroller”), and Respondent that:

**ARTICLE I**

**JURISDICTION**

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

(2) Respondent was an 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 of this Order. *See* 12 U.S.C. § 1818(i)(3).

(3) The Bank was a Federal savings association within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(3).

(4) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this prohibition action against Respondent pursuant to 12 U.S.C. § 1818(e).

## ARTICLE II

### COMPTROLLER’S FINDINGS

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

(1) In June 2008, Respondent approved new borrowers to assume approximately \$12.5 million in non-performing loans, with the Bank financing 100% of the loan, with no equity from the borrowers, extending a Bank-funded interest reserve to enable the borrowers to make interest only payments, failing to obtain personal guarantees, and failing to obtain a valid, current appraisal, in violation of 12 C.F.R. § 564.3.<sup>1</sup>

(2) In June 2007, Respondent approved two loans totaling \$3.5 million to enable a borrower to pay off other non-performing loans. The Bank financed 100% of the loans with no equity from the borrower, extending a Bank-funded interest reserve to enable the borrower to make interest only payments, failing to obtain personal guarantees, and failing to obtain a valid, current appraisal, in violation of 12 C.F.R. § 564.3.

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<sup>1</sup> As of July 21, 2011, regulations in the 12 C.F.R. Part 500 series were redesignated into the corresponding section in the 12 C.F.R. Part 100 series.

(3) In December 2009, Respondent approved the Bank's acquisition of two non-performing loans at par for approximately \$5.8 million, despite the absence of evidence supporting the debtor's ability to service the debt and with knowledge that the debtor had previously defaulted on other credits held at the Bank. Respondent caused the independent appraiser selected by the Bank to be replaced by the borrower recommended appraiser, in violation of 12 C.F.R. § 564.5.

(4) In December 2010, Respondent approved two new loans, totaling \$16 million, to replace other non-performing loans, despite the borrower having no ability to repay the loans.

(5) In June and August 2010, Respondent prompted an employee to cause an appraiser to increase the value of his appraisals, in violation of 12 C.F.R. § 564.5.

(6) By reason of the foregoing conduct, Respondent engaged in unsafe or unsound practices and violations of law; which practices and violations were made with willful or continuing disregard for the safety and soundness of the Bank, and resulted in loss to the Bank and depositor prejudice.

### **ARTICLE III**

#### **ORDER OF PROHIBITION**

Respondent consents to, and it is ORDERED that:

(1) With respect to the institutions and agencies set forth in paragraph (2) of this Article, Respondent hereby agrees that he shall not:

- (a) participate in any manner in the conduct of their affairs;
- (b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights;

- (c) violate any voting agreement previously approved by the “appropriate Federal banking agency,” as defined in 12 U.S.C. § 1813(q); or
- (d) vote for a director, or serve or act as an “institution-affiliated party,” as defined in 12 U.S.C. § 1813(u).

(2) The prohibitions in paragraph (1) of this Article apply to the following institutions and agencies:

- (a) any insured depository institution, as defined in 12 U.S.C. § 1813(c);
- (b) any institution treated as an insured bank under 12 U.S.C. § 1818(b)(3), (b)(4) or (b)(5);
- (c) any insured credit union under the Federal Credit Union Act;
- (d) any institution chartered under the Farm Credit Act of 1971;
- (e) any appropriate Federal depository institution regulatory agency; and
- (f) the Federal Housing Finance Agency and any Federal Home Loan Bank.

(3) The prohibitions of paragraphs (1) and (2) of this Article shall cease to apply with respect to a particular institution if Respondent obtains the prior written consent of both the OCC and the institution’s “appropriate Federal financial institutions regulatory agency,” as defined in 12 U.S.C. § 1818(e)(7)(D).

(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.

## **ARTICLE VII**

### **CLOSING**

- (1) By executing this Order, Respondent waives:

Initials: GH  
Date: 1/26/16

- (a) the right to a Notice of Intention to Prohibit Further Participation under 12 U.S.C. § 1818(e);
- (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(e) and 12 C.F.R. Part 109;
- (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 United States, the OCC, or any officer, employee, or agent of the OCC, 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 of the Bank) to incur, directly or indirectly, any expense relative to the negotiation and issuance of this Order except as permitted by 12 C.F.R. § 145.121 and Part 359. In addition, Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from the Bank (or any subsidiary or affiliate of the Bank) with respect to such amounts except as permitted by 12 C.F.R. § 145.121 and Part 359; provided, however, Respondent may not obtain or accept such indemnification with respect to payment of the civil money penalty.

(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 OCC or any officer, employee, or agent of the OCC to cause or induce Respondent to agree to consent to the issuance of this Order and/or to execute this Order.

(4) This Order constitutes a settlement of any proceedings arising out of the facts, omissions, or violations described in the Comptroller's Findings (Article II of this Order). The OCC agrees not to institute the proceedings referenced in the first whereas clause of this Order for the specific acts, omissions, or violations described in Article II of this Order unless such acts, omissions, or violations reoccur. However, the specific acts, omissions, or violations described in Article II may be used by the OCC in future enforcement actions to establish a pattern of misconduct or the continuation of a pattern of misconduct.

(5) This Order shall not be construed as an adjudication on the merits and, except as set forth in paragraph (4) above, shall not inhibit, estop, bar, or otherwise prevent the OCC from taking any action affecting Respondent if, at any time, the OCC deems it appropriate to do so to fulfill the responsibilities placed upon the OCC by the several laws of the United States.

(6) Nothing in this Order shall preclude any proceedings brought by the OCC to enforce the terms of this Order, and nothing in this Order 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) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818, and expressly does not form, and may not be construed to form, a contract binding on the United States, the OCC, or any officer, employee, or agent of the OCC. Respondent expressly acknowledges that no officer, employee, or agent of the OCC has statutory or other authority to bind the United States, the United States Treasury Department, the OCC, or any other federal bank regulatory agency or entity, or any officer, employee, or

(8) agent of those entities, to a contract affecting the OCC's exercise of its supervisory responsibilities.

(9) This Order is "issued with the consent of . . . the institution-affiliated party concerned," pursuant to 12 U.S.C. § 1818(h)(2).

(10) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

(11) The provisions of this Order are effective upon issuance by the OCC, through the Comptroller's duly authorized representative, whose hand appears below, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the OCC, through the Comptroller's duly authorized representative.

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

/s/George Hall

1/26/16

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George Hall

\_\_\_\_\_  
Date

**IT IS SO ORDERED.**

/s/Michael R. Brickman

3/3/16

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Michael R. Brickman  
Deputy Comptroller for Special Supervision

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Date