UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of: CATHRYN C. PUGH, Former Employee and Institution-Affiliated Party of: LOCAL FEDERAL BANK, FSB OKLAHOMA CITY, OKLAHOMA	RE: OTS Order No. DAL-94-09 DATED: April 22, 1994

ORDER OF PROHIBITION

WHEREAS, Cathryn C. Pugh ("PUGH") has executed a Stipulation and Consent to Entry of an Order of Prohibition ("Stipulation") on April 14, 1994; and

WHEREAS, PUGH by her execution of the Stipulation, has consented and agreed to the issuance of this Order of Prohibition ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §1818(e).

NOW THEREFORE, IT IS ORDERED that:

1. PUGH is prohibited from further participation, in any manner, in the conduct of the affairs of Local Federal Bank, FSB, Oklahoma City, Oklahoma, and any successor institution, holding company, subsidiary, and/or service corporation thereof.

2. PUGH shall not hold any office in, or participate in any manner in the conduct of the affairs of any Federally regulated depository institution or any of the other entities that are described in Section 8(e)(7)(A) of the FDIA, 12 U.S.C. §1818(e)(7)(A), without the prior written approval of OTS (acting through its Director or an authorized representative thereof) and, the "appropriate Federal financial institutions regulatory agency" for the Federally regulated depository institution which is involved. Due to the operation of Section 8(e)(6) of the FDIA, 12 U.S.C. §1818(e)(6), conduct prohibited by this Order, without the said prior written approval of the OTS and the "appropriate Federal banking agency", also includes, without limitation: (1) soliciting, procuring, transferring, attempting to transfer, voting, or the attempting to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in Section 8(e)(7)(A) of the FDIA, 12 U.S.C. §1818(e)(7)(A); and (2) voting for a director, or serving as an institution-affiliated party.

3. The Stipulation is made a part hereof and is incorporated herein by this reference.

4. This Order is subject to the provisions of Section 8(j) of the FDIA, 12 U.S.C. §1818(j), and shall become effective on the date it is issued, as shown in the caption above.

5. PUGH shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

THE OFFICE OF THRIFT SUPERVISION
By:

/s/

Frederick R. Casteel
Midwest Regional Director

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In the Matter of: CATHRYN C. PUGH, Former Employee and Institution-Affiliated Party of: LOCAL FEDERAL BANK, FSB OKLAHOMA CITY, OKLAHOMA	RE: OTS Order No. DAL-94-09 Dated: April 22, 1994

STIPULATION AND CONSENT TO ENTRY
OF AN ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Cathryn C. Pugh ("PUGH"), former employee and institution-affiliated party of Local Federal Bank, FSB, Oklahoma City, Oklahoma, ("Local Federal" or the "Institution") that the OTS is of the opinion that grounds exist to initiate an administrative prohibition proceeding against PUGH pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e).[1]

WHEREAS, PUGH desires to cooperate with the OTS to avoid the time and expense of such administrative litigation and, without admitting or denying that such grounds exist, but admitting the statements and conclusions in Paragraph 1 below,

1. All references in this Stipulation and Consent and the Order of Prohibition to the U.S.C. are as amended.

hereby stipulates and agrees to the following terms:

1. Jurisdiction.

(a) Local Federal, at all times relevant hereto, was a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C. § 1813(b), and Section 2(4) of the Home Owners' Loan Act ("HOLA"), 12 U.S.C. § 1462(4). Accordingly, Local Federal was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(b) PUGH, as a former employee of Local Federal, is deemed to be an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u), having served in such capacity within six (6) years of the date hereof (see 12 U.S.C. § 1818(i)(3)).

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. §1813(q), the OTS is the "appropriate Federal banking agency" with jurisdiction to maintain an enforcement proceeding against institution-affiliated parties. Therefore, PUGH is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against her pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

2. OTS Findings of Fact. The OTS finds that during at least the two-month period ending on or about December, 1993, PUGH, without authorization, engaged in the practice of check kiting and misapplied the funds of Local Federal to her own use.

3. Consent. PUGH consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). She further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued by the OTS under the authority of Section 8(e) of the FDIA, 12 U.S.C. § 1818(e). Upon its issuance by the Regional Director or designee for the Central Region, OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C. § 1818(i).

5. Waivers. PUGH waives the following:

(a) the right to be served with a written notice of the OTS's charges against her (referred to as a Notice of Intention to Prohibit) (see Section 8(e) of the FDIA);

(b) the right to an administrative hearing of the OTS's charges against her (see Section 8(e) of the FDIA); and

(c) the right to seek judicial review of the Order, including, without limitation, any such right provided by Section 8(h) of the FDIA, 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

6. Indemnification. PUGH shall neither cause or permit Local Federal (or any successor institution, holding company, subsidiary or service corporation thereof) to incur, directly

or indirectly, any expense for any legal (or other professional expenses) incurred relative to the negotiation and issuance of the Order of Prohibition, nor obtain any indemnification (or other reimbursement) from the Institution (or any successor institution, holding company, subsidiary or service corporation thereof) with respect to such amounts. Any such payments received by or on behalf of PUGH in connection with this action shall be returned to Local Federal (or the successor institution, holding company, subsidiary or service corporation thereof).

7. Other Government Actions Not Affected.

(a) PUGH acknowledges and agrees that the consent to the entry of the Order is for the purpose of resolving this prohibition action only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of PUGH that arise pursuant to this action or otherwise, and that may be or have been brought by any other government entity other than the OTS.

(b) By signing this Stipulation and Consent to Entry of an Order of Prohibition, PUGH agrees that she will not assert this proceeding, her consent to the entry of the Order, and/or the entry of the Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other federal or state

state governmental entity.

8. Acknowledgment of Criminal Sanctions. **BRYANT** acknowledges that Section 8(j) of the FDIA, 12 U.S.C. §1818(j), sets forth criminal penalties for knowing violations of the Order.

WHEREFORE, BRYANT executes this Stipulation and Consent to Entry of an Order of Prohibition, intending to be legally bound hereby.

By:

/s/

June Louise Bryant

Dated: 3-25-94

Accepted by:
Office of Thrift Supervision

/s/

Frederick R. Casteel
Midwest Regional Director

Dated: 4-22-94