

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
CHRISTINE M. PALAZZOLA)
A former teller of)
NORTHFIELD SAVINGS BANK)
STATEN ISLAND, NY)
(OTS DOCKET NO. 02197))

Re: OTS Order No. *NE 94-17*

Dated: *May 26, 1994*

ORDER OF PROHIBITION

WHEREAS, CHRISTINE M. PALAZZOLA has executed a Stipulation and Consent to Entry of an Order of Prohibition ("Stipulation") on May 16, 1994; and

WHEREAS, CHRISTINE M. PALAZZOLA, 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. Due to the operation of Section 8(e)(6) of the FDIA, 12 U.S.C. §1818(e)(6), CHRISTINE M. PALAZZOLA shall not:
 - (a) participate in any manner in the conduct of the affairs of the institutions and agencies set forth in paragraph 2 of this Order;
 - (b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights with respect to the institutions and agencies set forth in paragraph 2 of this

Order;

(c) violate any voting agreement previously approved by the "appropriate Federal banking agency" as defined in Section 3(q) of the FDIA, 12 U.S.C. §1813(q); or

(d) vote for a director, or serve or act as an "institution-affiliated party, as defined in Section 3(u) of the FDIA, 12 U.S.C. §1813(u).

2. Due to the operation of Section 8(e)(7) of the FDIA, 12 U.S.C. §1818(e)(7), CHRISTINE M. PALAZZOLA shall not continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of:

(a) any insured depository institution, as defined in Section 8(c) of the FDIA, 12 U.S.C. §1813(c);

(b) any institution treated as an insured bank under Sections 8(b)(3) or (b)(4) of the FDIA, 12 U.S.C. §1818(b)(3) or (b)(4);

(c) any institution treated as a savings association under Section 8(b)(9) of the FDIA, 12 U.S.C. §1818(b)(9), including:

(i) any savings and loan holding company,

(ii) any subsidiary of a savings and loan holding company,

(iii) any service corporation of a savings association corporation, or

(iv) any subsidiary of a service corporation, whether wholly or partly owned;

(d) any insured credit union under the Federal Credit

Union Act (12 U.S.C. §1751 et seq.);

(e) any institution chartered under the Farm Credit Act of 1971 (12 U.S.C. §2001 et seq.);

(f) any appropriate Federal depository institution regulatory agency;

(g) the Federal Housing Finance Board and any Federal Home Loan Bank;

(h) the Resolution Trust Corporation.

3. Pursuant to Section 8(e)(7)(B) of the FDIA, 12 U.S.C. §1818(e)(7)(B), the prohibitions of paragraphs 1 and 2 of this Order shall cease to apply with respect to a particular institution if CHRISTINE M. PALAZZOLA obtains the prior written consent of both the OTS and the institution's "appropriate Federal financial institutions regulatory agency," as defined in Section 8(e)(7)(D) of the FDIA, 12 U.S.C. §1818(e)(7)(D).

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

5. Notice is hereby provided that a violation of this Order could subject CHRISTINE M. PALAZZOLA to the penalties specified in Section 8(j) of the FDIA, 12 U.S.C. §1818(j).

6. CHRISTINE M. PALAZZOLA shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

7. The OTS does not intend to, and nothing in the Order shall be interpreted to limit, in any manner, the full scope of the prohibition prescribed by Section 8(e) of the FDIA, 12 U.S.C. §1818(e).

8. This Order shall become effective on the date it is issued, as shown in the caption above.

THE OFFICE OF THRIFT SUPERVISION
By:



Angelo A. Vigna
Regional Director

UNITED STATES OF AMERICA
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In the Matter of

CHRISTINE M. PALAZZOLA

A former teller of
NORTHFIELD SAVINGS BANK
STATEN ISLAND, NY
(OTS DOCKET NO. 02197)

Re: OTS Order No. NE 94-17

Dated: May 26, 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 CHRISTINE M. PALAZZOLA, a former teller of Northfield Savings Bank, 1731 Victory Boulevard, Staten Island, NY ("the Association"), that the OTS is of the opinion that the grounds exist to initiate an administrative prohibition proceeding against CHRISTINE M. PALAZZOLA pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §1818(e)¹; and

WHEREAS, CHRISTINE M. PALAZZOLA desires to cooperate with the OTS to avoid the time and expense of such administrative litigation and hereby stipulates and agrees to the following terms:

1. Jurisdiction.

(a) The Association is a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C.

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

§1813(b), and Section 2(4) of the Home Owners' Loan Act, 12 U.S.C. §1462(4). Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. §1813(c).

(b) CHRISTINE M. PALAZZOLA, as a teller of the Association 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 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 Director of the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a savings association and/or its institution-affiliated parties. The Director of the OTS has delegated to the Regional Directors of the OTS the authority to issue an order of prohibition where the respondent has consented to the issuance of the order. Therefore, CHRISTINE M. PALAZZOLA 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:

(a) On June 15, 1992, CHRISTINE M. PALAZZOLA removed, without authorization, \$2,000 from the Association's vault fund while working as a teller at the Bay Street Branch Office of the Association.

(b) On June 27, 1992, CHRISTINE M. PALAZZOLA signed a hand written statement admitting to taking a package of \$50 bills from the Association's vault fund for personal use.

3. Consent. CHRISTINE M. PALAZZOLA 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 Northeast Region, 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. CHRISTINE M. PALAZZOLA 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. CHRISTINE M. PALAZZOLA shall neither cause or permit the Association (or any subsidiary thereof) to incur, directly or indirectly, any expense for any legal services (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

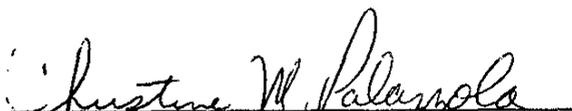
Association (or any subsidiary thereof) with respect to such amounts. Any such payments received by or on behalf of CHRISTINE M. PALAZZOLA in connection with this action shall be returned to the Association.

7. Other Government Actions Not Affected. CHRISTINE M. PALAZZOLA acknowledges and agrees that this consent to the entry of the Order is for the purposes of resolving this matter only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of CHRISTINE M. PALAZZOLA that arise from this matter or otherwise, and that may be or have been brought by any other government entity other than the OTS.

8. Acknowledgment of Criminal Sanctions. CHRISTINE M. PALAZZOLA 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, CHRISTINE M. PALAZZOLA executes this Stipulation and Consent to Entry of an Order of Prohibition, intending to be legally bound hereby.

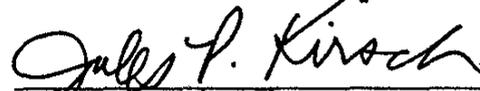
By:


CHRISTINE M. PALAZZOLA

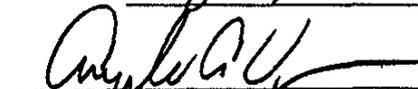
Date: 5-16-1994

Accepted by:

Office of Thrift Supervision


Jules P. Kirsch
Regional Counsel for Enforcement
Enforcement and Litigation, East

Date: May 24, 1994


Angelo A. Vigna
Regional Director
Date: 5/26/94