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UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

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In the Matter of)
JON L. BLOOMFIELD)
Former President and Director)
of Guaranty Federal Savings Bank)
Warned Robins, Georgia)
_____)

Resolution No.: ATL-93-6
Dated: January 19, 1993

STIPULATION AND CONSENT TO THE ENTRY
OF A PROHIBITION ORDER

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Southeast Region, and Jon L. Bloomfield ("Bloomfield"), former President and Director of Guaranty Federal Savings Bank, Warner Robins, Georgia, OTS Docket No. 9229 (formerly 7852) ("Guaranty Federal" or "Institution"), hereby stipulate and agree as follows:

1. Consideration. The OTS, based upon its investigative findings, is of the opinion that grounds exist to initiate an administrative proceeding against Bloomfield, pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C.A. § 1818(e) (West 1989 & Supp. 1992). The facts in support of the OTS' belief include the following:

(a) Bloomfield was President and Director of Guaranty Federal, as well as, President and Chief Executive Officer of Northwest Georgia Financial Corporation ("Northwest Georgia Financial"), holding company for Citizens Bank, Dallas, Georgia ("Citizens Bank") and Chief Executive Officer of Citizens Bank.

(b) Because of the relationship between Guaranty Federal and Citizens Bank, transactions between the two institutions, without prior written supervisory approval, were specifically prohibited by the terms of Guaranty Federal's voluntary supervisory conversion.

(c) Bloomfield referred borrowers of Citizens Bank to Guaranty Federal when Citizens Bank was not able to provide them with financing.

(d) Under Bloomfield's direction and with his recommendation, Guaranty Federal made numerous loans where funds were disbursed to pay off prior liens at Citizens Bank.

(e) Guaranty Federal's Board of Directors relied on Bloomfield's banking expertise and knowledge of the borrowers in approving loans to them.

(f) Bloomfield, acting as a member of both the Executive Committee and the Board of Directors of Guaranty Federal, approved numerous loans, the proceeds of which were used to pay off prior liens at Citizens Bank, in violation of 12 C.F.R. § 563.43(c)(2) and of the conditions for the voluntary supervisory conversion of Guaranty Federal.

(g) The underwriting for these loans was extremely poor and the borrowers had little equity in the collateral and no means to repay the loans other than the sale of the collateral.

(h) The estimated losses on the Guaranty Federal loans involving the disbursement of loan proceeds to Citizens Bank, are at least \$1,210,000.

(i) As a result of these actions, Bloomfield engaged or participated in unsafe or unsound practices, regulatory violations, and violations of the conditions of the voluntary supervisory conversion approval. By reason of the foregoing violations and unsafe or unsound practices, Guaranty Federal has suffered substantial financial loss or other damage. Further, such violations and unsafe or unsound practices demonstrate a willful and continuing disregard by Bloomfield for the safety and soundness of Guaranty Federal.

Bloomfield desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding and, without admitting or denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of the OTS from initiating such administrative proceeding against Bloomfield.

2. Jurisdiction.

(a) Guaranty Federal was a "savings association" within the meaning of Section 3(b)(1) of the FDIA, 12 U.S.C.A. § 1813(b)(1). The Institution was an "insured depository institution" as that term is defined in

Section 3(c)(2) of the FDIA, 12 U.S.C.A. § 1813(c)(2).

(b) Bloomfield, as President and a Director of Guaranty Federal, was an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C.A. § 1813(u).

(c) The Director of OTS is the "appropriate Federal banking agency" to maintain an administrative proceeding against such a savings association or its institution-affiliated parties, pursuant to Section 3(q)(4) of the FDIA, 12 U.S.C.A. § 1813(q)(4). Therefore, Bloomfield is subject to the authority of the OTS to initiate and maintain an administrative proceeding against him pursuant to Section 8(e) of the FDIA, 12 U.S.C.A. § 1818(e).

3. Consent. Bloomfield consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). He 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 under Section 8(e) of the FDIA, 12 U.S.C.A. § 1818(e). Upon its issuance by the Regional Director 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.A. § 1818(i).

5. Waivers. Bloomfield waives his right to a notice of charges, notice of intention to prohibit and the administrative hearing provided by Section 8(e) of the FDIA, 12 U.S.C.A. § 1818(e), and further waives his right to seek

judicial review of the Order, including any such right provided by Section 8(h) of the FDIA, 12 U.S.C.A. § 1818(h), or otherwise to challenge the validity of the Order.

Further, Bloomfield acknowledges and agrees that his consent to the entry of the Order is for the purpose of resolving this OTS enforcement matter only and does not compromise, settle, dismiss, resolve, or in any way affect any civil or criminal actions, charges against, or liability of Bloomfield that arise pursuant to this action or otherwise, and that may be or have been brought by the Resolution Trust Corporation, the United States Department of Justice or any other governmental entity other than the OTS.

The OTS' decision to enter into this Stipulation has been predicated in part upon representations made by Bloomfield concerning the amount, nature and quality of cash, property and other assets owned by Bloomfield ("Assets"). It is understood that Bloomfield has made a good faith estimate of the current value of his Assets, and Bloomfield understands that should the OTS discover or learn from any source that the representations made by him about his Assets were intentionally or materially false, including but not limited to the failure to identify and/or value any Asset, the OTS reserves the right to void the settlement reached between the OTS and Bloomfield, including this Stipulation and the Order, and initiate an administrative proceeding against Bloomfield or take any other legal action that the OTS in its sole discretion deems appropriate.

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ORDER OF PROHIBITION

WHEREAS, Jon L. Bloomfield ("Bloomfield") has executed a Stipulation and Consent to the Entry of A Prohibition Order ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its Regional Director for the Southeast Region; and

WHEREAS, Bloomfield in the Stipulation has consented and agreed to the issuance of this Order of Prohibition ("Order"), pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C.A. § 1818(e) (West 1989 & Supp. 1992).

NOW THEREFORE, IT IS ORDERED that:

1. Bloomfield is prohibited from further participation, in any manner, in the conduct of the affairs

