

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION
DEPARTMENT OF THE TREASURY

In the Matter of)
)
)

WILLIAM J. SCHILLING AND)
JONES, DAY, REAVIS &)
POGUE,)
)

Former Outside Counsel)
of Lincoln Savings)
and Loan Association,)
Irvine, California,)
)

Respondents.)
_____)

OTS AP 93-31

Dated: April 19, 1993

ORDER OF PROHIBITION FROM PARTICIPATING IN THE
CONDUCT OF THE AFFAIRS OF AN INSURED DEPOSITORY
INSTITUTION AND ORDER OF DEBARMENT FROM PRACTICING
BEFORE THE OFFICE OF THRIFT SUPERVISION

Respondent William J. Schilling ("Schilling") has submitted an Offer of Settlement ("Offer") in the above-captioned proceeding. Upon consideration, the Office of Thrift Supervision ("OTS") has determined to accept the Offer.¹ Solely on the basis of the consent evidenced by the Offer, and without any

¹In the Offer, without admitting or denying the allegations of the Notice of Charges ("Notice") in this proceeding, Schilling acknowledges service of the Notice; admits the jurisdiction of OTS with respect to the matters set forth in the Notice; waives a hearing, all post-hearing procedures, judicial review of OTS's Order by any court, and any objection to the staff's participating in OTS's consideration of the Offer; and stipulates that the record basis for this proceeding consists of the Notice and the Offer.

adjudication on the merits, OTS HEREBY ORDERS THAT:

1. Schilling is prohibited from engaging in any or the activities described in 12 U.S.C. § 1818(e)(6) (1990).

2. Nothing in paragraph 1 of this Order, however, shall prohibit Schilling from engaging in the following activities, even though such activities may involve or relate to an insured depository institution:

(a) being a customer, as a depositor or borrower, of an insured depository institution;

(b) owning stock in an insured depository institution;

Provided however, that such activities outlined in subparagraphs 2(a) and (b) above may not be performed in a manner that would make Schilling an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u).

3. Schilling is suspended from practice before the OTS, and shall not directly or indirectly engage in the activities defined in 12 C.F.R. § 513.2(e) (1990).

4. Schilling shall promptly respond to any request from OTS for documents that OTS reasonably requires to determine compliance with this Order.

5. For the purpose of this Order, the phrase "insured depository institution" is defined to include savings and loan associations, commercial banks, credit unions and other similar entities that hold federally insured deposits, and their non-diversified holding companies, and a diversified holding company to the extent that the work done directly relates to a subsidiary

federally insured depository institution.

6. This Order and the Offer may be used in any proceeding brought by the OTS to enforce this Order; provided, however, the OTS shall not use the Notice, the Offer, this Order or the relief consented to by virtue of the Offer for any other purpose.

7. This Order shall be effective April 19, 1993.

A copy of this Order shall be served upon Respondent Schilling at the address set forth in the Notice.

/S/

Joyathan L. Fiechter
Acting Director
Office of Thrift Supervision

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DEPARTMENT OF THE TREASURY

In the Matter of

WILLIAM J. SCHILLING AND
JONES, DAY, REAVIS &
POGUE,

Former Outside Counsel
of Lincoln Savings
and Loan Association,
Irvine, California,

Respondents.

Order No. AP 93 - 31

Dated: April 19, 1993

OFFER OF SETTLEMENT BY
WILLIAM J. SCHILLING

I.

Respondent William J. Schilling ("Schilling") hereby submits this Offer of Settlement ("Offer") to the Office of Thrift Supervision (the "OTS") in the above-captioned proceeding. This Offer is submitted for the sole purpose of disposing of the allegations and issues raised in the Notice of Charges ("Notice") the OTS proposes to issue against the Respondent.

II.

This Offer is submitted solely for the purpose of terminating this matter and shall be null and void and shall not be used in any manner in any proceeding if it is not accepted by the OTS as hereinafter set forth.

III..

Without admitting or denying the factual and legal allegations of the Notice for purposes of this proceeding, and without adjudication of any issue of fact or law, the Respondent:

1. Submits to the jurisdiction of the OTS with respect to the matters set forth in the Notice and stipulates that the record basis for the institution of a proceeding against the Respondent consists of the Notice and this Offer;
2. Acknowledges service of the Notice; and
3. Waives:
 - a. a hearing;
 - b. all post-hearing procedures;
 - c. entry of findings of fact and conclusions of law pursuant to 5 U.S. C. § 557 (1990) and 12 U.S.C. § 1818(b)(1) (1990);
 - d. judicial review of the OTS's order by any court;
 - e. any objection of the staff's participation in OTS's consideration of this Offer.

IV.

The Respondent consents, solely by virtue of this Offer and not any adjudication on the merits, to an Order of the OTS (the "Order") in the form attached hereto and incorporated herein by reference.

V.

The undersigned states that he has read the foregoing Offer, which was drafted by the OTS, and has agreed to execute it based

on the OTS's representation that any final settlement with Jones, Day, Reavis & Pogue with respect to the allegations and issues raised in the Notice would be dependent on the undersigned making this Offer. This Offer and settlement is withdrawn in the event that a settlement with Jones, Day, Reavis & Pogue is not finalized.

/S/

~~William J. Schilling~~