

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

In the Matter of)
DOMENIC DADDONA,)
)
 a former institution-)
 affiliated party of SECURITY)
 SAVINGS AND LOAN ASSOCIATION,)
 Waterbury Connecticut.)

RE: OTS Order No. NE 93-10

**STIPULATION AND CONSENT TO ISSUANCE OF CONSENT
CEASE AND DESIST DIRECTING AFFIRMATIVE ACTION**

This Stipulation and Consent is made by and between DOMENIC DADDONA, a former officer of Security Savings and Loan ("Security") Waterbury, Connecticut, residing at 68 Vernondale Drive, Southington, Connecticut, and the Office of Thrift Supervision ("OTS"), an office within the United States Department of the Treasury, whose acceptance of this Stipulation and Consent is indicated by issuance of the attached CONSENT ORDER TO CEASE AND DESIST DIRECTING AFFIRMATIVE ACTION (the "Order"). It is stipulated and agreed as follows:

1. Consideration and Release.

(a) The OTS, having conducted a formal investigation into the conduct of the affairs of Security pursuant to OTS Resolution No. BOS-90-7, is of the opinion that the grounds exist to commence an administrative case against DOMENIC DADDONA for the issuance of a final agency order, pursuant to provisions of Section 8 of the Federal Deposit Insurance Act ("FDIA") (12

U.S.C.A. § 1818).

(b) OTS Enforcement Counsel have consulted with DOMENIC DADDONA and his attorneys about the charges that would be included in a potential Notice of Charges, and he understands the nature of the charges as they would be set forth therein. DOMENIC DADDONA desires to cooperate with the OTS and to avoid the time and expense of administrative litigation with the OTS, and, for the purposes of this settlement only, without either admitting or denying any liability in connection with the conduct of the affairs of Security, hereby stipulates and agrees to the terms of this Stipulation and Consent in consideration of the settlement by the OTS of the administrative charges, claims and other matters described in Paragraph 1(c) below.

(c) For good and valuable consideration, the receipt of which is hereby acknowledged, the OTS in all of its capacities on behalf of itself, and its representatives, predecessors, successors and assigns does hereby release and forever discharge DOMENIC DADDONA from any and all claims, rights, damages, demands or causes of action which OTS has had, now has, or may have, but only to the extent that such claims, rights, damages, demands or causes of action arise from or are based upon matters discovered as a result of the formal investigation into the conduct of the affairs of Security pursuant to Resolution No. BOS-90-7; provided, however, that nothing in this release (or other provision of this Stipulation and Consent) shall be a release or discharge by OTS of claims, if any, OTS has or may have against any person or entity other than DOMENIC DADDONA.

2. No Effect on Actions by Other Agencies. This Stipulation and Consent, the Order and the payment by DOMENIC DADDONA of any monies or providing any other financial relief as contemplated by the Order, does not release, discharge, compromise, settle, dismiss or resolve, or in any way affect any civil actions, criminal charges against, or liability of DOMENIC DADDONA that arise pursuant to this action or otherwise, and that may be or have been brought by the Resolution Trust Corporation or any other governmental entity other than the OTS.

3. Jurisdiction. It is stipulated and agreed that the OTS, an appropriate federal banking agency, is authorized to issue the Order pursuant to 12 U.S.C.A. §§ 1818(b) and 1818(e). DOMENIC DADDONA, a former director of Security, acknowledges that he has been an institution-affiliated party of Security, within the meaning of 12 U.S.C.A. § 1813(u).

4. Consent. DOMENIC DADDONA consents to issuance of the Order. DOMENIC DADDONA agrees to comply with the terms of the Order, and he stipulates that the Order, which is remedial, complies with all requirements of law.

5. Finality. The Order is issued by the OTS under the authority of Sections 8(b) and 8(e) of the FDIA (12 U.S.C.A. §§ 1818(b) and 1818(e)). DOMENIC DADDONA acknowledges and understands that, upon issuance, the Order will be a final order that is effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA (12 U.S.C.A. § 1818(i)). Also see 12 U.S.C.A. § 1818(j).

6. Waivers. DOMENIC DADDONA, following consultation with

his counsel, hereby waives the following legal rights:

- (1) the right to be served with a written notice of charges pursuant to 12 U.S.C.A. §§ 1818(b) and 1818(e);
- (2) the right to an administrative adjudicatory hearing of the OTS' charges against him; and
- (3) the right to seek judicial review of the Order, including (but not limited to) 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.

7. Communications.

(a) The OTS may send written notices and other communications to DOMENIC DADDONA care of his counsel at the following law firm:

Eliot B. Gersten, Esq.
Gersten & Clifford
214 Main Street
Hartford, Connecticut 06106-1892

(b) All payments, notices or other communications required or permitted to be sent by DOMENIC DADDONA to the OTS' Enforcement Counsel shall be sent to:

Joseph L. Koerwer, Esq.
Senior Trial Attorney
Office of Thrift Supervision
10 Exchange Place, 17th Floor
Jersey City, New Jersey 07302.

(c) All communications required or permitted to be sent by DOMENIC DADDONA to the OTS' Regional Director shall be sent to:

Angelo A. Vigna, Regional Director
Office of Thrift Supervision
10 Exchange Place, 18th Floor
Jersey City, New Jersey 07302.

8. Miscellaneous.

(a) All references to the OTS in this Stipulation and Consent and the Order shall also mean any of the OTS'

predecessors, successors, and assigns.

(b) The terms of this Stipulation and Consent and the Order represent the final agreement of the parties with respect to the subject matters hereof, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into the terms of this Stipulation and Consent and the Order, which together constitute the sole agreement of the parties with respect to such subject matters. The terms of this Stipulation and Consent and the Order may not be amended except by a written document executed by DOMENIC DADDONA and the OTS, by and through its Director or an appropriate Regional Director.

WHEREFORE, DOMENIC DADDONA duly signs this Stipulation and Consent, which shall become effective upon acceptance by the OTS, as shown by its issuance of the attached Order.

/S/

DOMENIC DADDONA

STATE OF CONNECTICUT)

COUNTY OF Hartford)

SS:

On this 0th day of April, 1993, before me the subscriber, a Notary Public in and for the aforesaid State, personally appeared DOMENIC DADDONA the individual who executed the foregoing Stipulation and Consent, and he acknowledged that he did examine and read the same and did sign the foregoing instrument, and that the same is his free act and deed.

/S/

in, or participate in any manner in the conduct of the affairs of any institution or agency specified in 12 U.S.C.A. § 1818(e)(7), including but not limited to any insured depository institution and any subsidiaries or holding companies thereof; and (ii) DOMENIC DADDONA shall not solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in 12 U.S.C.A. § 1818(e)(7)(A). Without limitation on the foregoing, DOMENIC DADDONA shall not, directly or indirectly, provide or participate in providing investment advisory, investment banking, securities brokerage, or securities underwriting services to any insured depository institution and any subsidiaries thereof.

2. Financial Affirmative Action.

(a) DOMENIC DADDONA is ordered, pursuant to 12 U.S.C.A. § 1818(b), to make payment to OTS of \$20,000 (the "Restitution Amount"). The Restitution Amount shall be paid as set forth below:

(b) DOMENIC DADDONA shall make an Initial Payment of \$5,000 upon his execution of the Stipulation and Consent. DOMENIC DADDONA shall thereafter make three Monthly Payments in the amount of \$5,000 each, until the entire Restitution Amount has been paid in full.

(c) DOMENIC DADDONA shall pay the first Monthly Payment on or before May 15, 1993. The second Monthly Payment shall be made on or before June 15, 1993. The third Monthly Payment shall be made on or before July 15, 1993.

(d) DOMENIC DADDONA shall pay the Initial Payment and each of the Monthly Payments in the form of a cashier's or certified check or a money order made payable to the order of the

OFFICE OF THRIFT SUPERVISION. DOMENIC DADDONA shall tender the Initial Payment and each of the Monthly Payments to the OTS's Enforcement Counsel as provided for in Paragraph 7(b) of the Stipulation and Consent.

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

4. Finality of Order; Date of Effectiveness. This Order is a final order, and Section 8(j) of the FDIA (12 U.S.C.A. § 1818(j)) provides for criminal liability in the event of certain violations of the Order. The requirements and restrictions of this Order shall become effective and enforceable on the date of issuance.

IT IS SO ORDERED on this 19th day of April, 1993.

OFFICE OF THRIFT SUPERVISION
By:

/S/

Angelo Vigna
Regional Director