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

In the Matter of)

JACK BRENT,)

Former President and)
Former Director, of)

Continental Savings)
Association,)
Bellaire, Texas.)

Re: OTS AP 93-60

Dated: July 8, 1993

STIPULATION AND CONSENT TO
ISSUANCE OF ORDER TO CEASE AND DESIST

Jack Brent ("Brent"), Former President and Former Director of Continental Savings Association, Bellaire, Texas ("Continental"), hereby submits this Stipulation and Consent to Issuance of Order to Cease and Desist ("Consent") to the Office of Thrift Supervision of the United States Department of the Treasury ("OTS") for the purposes of settlement in consideration of the OTS's forbearance from initiating administrative proceedings on the matters covered in the accompanying Order to Cease and Desist ("Order").

The OTS, on the basis of current information, is of the opinion, as set forth in the Order, that grounds exist to initiate an administrative cease and desist proceeding against Brent pursuant to Section 407(e) of the National Housing Act ("NHA") (12 U.S.C. § 1730(e)(1) (1988)), and Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") (12 U.S.C. § 1818(b) (1988 & Supp. II 1990)). Without admitting or denying that such grounds exist, except those allegations set forth in paragraphs 1 and 2 below, which are admitted, Brent consents to the entry of the attached Order.

1. Brent admits that for purposes of this consent, the OTS is the successor in interest to, and is exercising the rights of the Federal Home Loan Bank Board, pursuant to Section 401(g) of FIRREA (12 U.S.C. § 1437 note (1988 & Supp. II 1990)).

2. Brent admits the jurisdiction of the OTS over him and over the subject matter of this action pursuant to Section 407(e) of NHA (12 U.S.C. § 1730(e) (1988)), and Section 8(b) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(b) (1988 & Supp. II 1990)), and admits that he was at all time pertinent hereto a director, officer, employee, agent or person participating in the conduct of the affairs of Continental.

3. Brent consents to the issuance of the accompanying Order, agrees to comply with its terms upon issuance, and stipulates that the Order complies with all the requirements of law. Brent neither agrees nor disagrees with the facts stated in the accompanying Order.

4. Brent, while neither admitting nor denying he has violated any laws or regulations or engaged in any unsafe or unsound practices, and wishing to settle this matter with the OTS, acknowledges and states that he enters into this Consent knowingly, willingly and voluntarily, with full opportunity to consult counsel of his choice, and without coercion or promises of any kind from the OTS or any officer, attorney, agent or employee thereof.

5. Brent hereby waives his rights to a hearing, all post-hearing proceedings, and the entry of findings of fact and conclusions of law under the Administrative Procedure Act (5 U.S.C. §§ 554-557); Section 407(j) of the NHA (12 U.S.C. § 1730(j)(1) (1988)), and Section 8(h) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(h) (1988 & Supp. II 1990)); and the OTS Rules of Practice and Procedure in Adjudicatory Proceedings (12 C.F.R. § 509, et seq.); or any other applicable provision of law.

6. Brent hereby waives his right to appeal the Order pursuant to Section 407(j) of the NHA (12 U.S.C. § 1730(j) (1988)), and Section 8(h) of the FDIA, as amended by FIRREA (12

U.S.C. § 1818(h) (1988 & Supp. II 1990)), or any other applicable provision of law.

7. Brent agrees to cooperate with the OTS by providing truthful and complete information, in conformity with subpoena or administrative process issued by the OTS, concerning matters relating to the OTS's investigation of Continental including, but not limited to, cooperation in any subsequent administrative enforcement action concerning Continental.

8. Brent agrees that this Stipulation and Consent and the Order do not compromise, settle, dismiss, resolve, or in any way affect any civil actions, or charges against, or liability of Brent that arise pursuant to this action or otherwise, and that may be or have been brought by the Federal Deposit Insurance Corporation, the Resolution Trust Corporation or any other governmental entity other than the OTS. This action resolves enforcement matters relating to Brent, involving the OTS arising in connection with the OTS's formal investigation of Continental, Resolution No. WA 92-03, dated March 19, 1992.

WHEREFORE, in consideration of the foregoing, Brent executes this Stipulation and Consent to Issuance of Order to Cease and Desist.

By: /S/
Jack Brent

Dated: Feb 26, 1993

Approved: /S/
Frederick Casteel
Midwest Regional Director
Office of Thrift Supervision

Dated: 7-1-93

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Re: OTS AP 93- 60

Dated: July 8, 1993

ORDER TO CEASE AND DESIST

WHEREAS, the Office of Thrift Supervision ("OTS") is of the opinion that Jack Brent ("Brent"), Former President and Former Director of Continental Savings Association, Bellaire, Texas ("Continental"), at or about the period of 1986 through 1988, engaged or participated in the following conduct:

(1) The approval of major loans by Continental that were made without proper underwriting or adequate security and that resulted in significant losses to Continental;

(2) The approval of loans by Continental that concealed loan losses and artificially created income so that Continental could declare dividends; and

(3) The failure to disclose material information to Federal regulators concerning certain loans that had been made by Continental -- loans that ultimately resulted in significant losses to Continental.

WHEREAS, the OTS is of the opinion that as a result of the aforementioned actions, Brent has violated laws and regulations, or engaged in unsafe or unsound practices; and

WHEREAS, Brent has executed a Stipulation and Consent to the Issuance of Order to Cease and Desist, which is incorporated herein by reference ("Consent") and is accepted and approved by the OTS, acting through its Midwest Regional Director; and

WHEREAS, Brent in the Consent has consented and agreed to the issuance of this Order to Cease and Desist ("Order") pursuant to Section 407(e) of the National Housing Act ("NHA") (12 U.S.C. § 1730(e)(1) (1988)), and Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") (12 U.S.C. § 1818(b) (1988 & Supp. II 1990)).

NOW THEREFORE, IT IS ORDERED that Brent shall not become an officer or director of a Federally insured depository institution

without the prior approval of the Regional Director of the OTS (or if the institution is not regulated by the OTS, then, with the approval of a similarly situated senior official of the appropriate Federal Banking agency).

IT IS FURTHER ORDERED that Brent, as an officer or director of a Federally insured depository institution, shall not:

(1) Violate any applicable laws, regulations or rules, or engage in any unsafe or unsound practices in conducting the business of such depository institution;

(2) Vote or participate in any matter or transaction without completing appropriate due diligence, including, but not limited to, proper underwriting and obtaining adequate security;

IT IS FURTHER ORDERED that Brent, as an officer or director of a Federally insured depository institution shall make full disclosure of all materially relevant information when a matter or transaction requires approval of the depository institution's board of directors, or when a matter or transaction is discussed with the appropriate Federal regulator.

IT IS FURTHER ORDERED that all technical words or terms used in this Order, for which meanings are not specified or otherwise

provided by the provisions of this Order shall, insofar as applicable, have meaning as defined in the Code of Federal Regulations, Title 12, Chapter V, or as defined in NHA, FDIA, the Home Owners' Loan Act, or FIRREA and any such words or terms undefined in the foregoing shall have meanings that accord with the best customs and usage in the thrift industry.

By: ^{/S/}
~~Frederick Casteel~~
Midwest Regional Director
Office of Thrift Supervision