

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

In the Matter of)
JAY M. GROSS,) RE: OTS Order No. NE93-42
) October 20, 1993
)
 former Chairman of the)
 Board and Chief Executive)
 Officer of BELL SAVINGS BANK,)
 Upper Darby, Pennsylvania)

STIPULATION AND CONSENT TO ISSUANCE OF
CONSENT ORDER OF PROHIBITION

This Stipulation and Consent is made by and between JAY M. GROSS, a former Chairman of the Board and Chief Executive Officer of BELL SAVINGS BANK, Upper Darby, Pennsylvania ("Bell"), residing at 1900 Rittenhouse Square, Apartment 17B, Philadelphia, Pennsylvania, 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 OF PROHIBITION (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 Bell pursuant to OTS Resolution No. PIT-90-20, is of the opinion that the grounds exist to commence an administrative case against JAY M. GROSS 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) JAY M. GROSS 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 Bell, 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 JAY M. GROSS 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 information currently in the possession of OTS, or discovered as a result of the formal investigation into the conduct of the affairs of Bell and Bell Savings Holdings, Inc.; 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 JAY M. GROSS.

2. No Effect on Actions by Other Agencies. Neither this Stipulation and Consent, nor the Order, releases, discharges, compromises, settles, dismisses or resolves, or in any way affects any civil actions, criminal charges against, or liability of JAY

M. GROSS 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(e). JAY M. GROSS, a former Chairman of the Board and Chief Executive Officer of Bell, acknowledges that he has been an institution-affiliated party of Bell, within the meaning of 12 U.S.C.A. § 1813(u).

4. Consent. JAY M. GROSS consents to issuance of the Order. JAY M. GROSS agrees to comply with the terms of the Order, and he stipulates that the Order complies with all requirements of law.

5. Finality. The Order is issued by the OTS under the authority of Section 8(e) of the FDIA (12 U.S.C.A. § 1818(e)). JAY M. GROSS 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. JAY M. GROSS, 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(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. OTS's decision to enter into this Stipulation and the Order has been predicated in part upon financial representations made by Gross in a statement submitted by him dated May 31, 1993 (the "Financial Statement"), and in sworn testimony given by Gross before the OTS on July 13, 1993 (the "Testimony"). Gross understands that should OTS discover or learn from any source that the representations made by him in or concerning the Financial Statement, or in the Testimony were inaccurate, including but not limited to the failure to identify and/or value any material asset, OTS reserves the right to take any action authorized by law, including at its sole option to impose civil money penalties under 12 U.S.C. §1818(i), to void the settlement reached between OTS and Gross, including this Stipulation and the Order, or take any other legal action

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 JAY M. GROSS and

the OTS, by and through its Director or an appropriate Regional Director.

(c) Pursuant to Federal Rule of Evidence 408 and similar state statutes, this Stipulation and the Order shall not constitute admissible evidence with respect to any claim that has been or may be brought against JAY M. GROSS.

WHEREFORE, JAY M. GROSS 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/

JAY M. GROSS

STATE OF PENNSYLVANIA)
COUNTY OF Philadelphia) SS:

On this 1 day of October, 1993, before me the subscriber, a Notary Public in and for the aforesaid State, personally appeared JAY M. GROSS 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/

[Signature]
NOTARY SEAL
JAY M. GROSS
Notary Public, Philadelphia County
My Comm. Expires Jan. 15, 1994

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

In the Matter of)	
)	
Jay M. Gross,)	OTS Order No. NE93-42
)	
former Chairman of the Board)	Dated: October 20, 1993
and Chief Executive Officer)	
of Bell Savings Bank, Upper Darby,)	
Pennsylvania.)	
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ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS") has conducted an investigation pursuant to OTS Resolution PIT 90-20, dated December 7, 1990 (the "Investigation"), concerning Bell Savings Bank, Upper Darby, Pennsylvania ("Bell"), and, as a result of the Investigation, finds that:

(i) Jay M. Gross ("Gross") was Chairman of the Board and Chief Executive Officer of Bell; and

(ii) in connection with Bell's conversion from a mutual to a stock corporation, Gross arranged for Bell stock to be purchased in such a way so as to evade applicable FHLBB and SEC regulations; and

(iii) over a four-year period from 1985 through 1989, Gross caused Bell to purchase art from Gross-McCleef Gallery, an art gallery in which Gross's wife owned a 50% interest, without first obtaining regulatory approval.

WHEREAS, the OTS is of the opinion that the grounds exist for the OTS to seek the issuance of certain agency orders against Gross, pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C.A. § 1818(e) (West 1989 & Supp. 1993); and

WHEREAS, Gross neither admits nor denies the allegations or conclusions arising from the Investigation; and

WHEREAS, Gross has executed a Stipulation and Consent to Issuance of an Order of Prohibition, which is incorporated herein by reference and is accepted by the Office of Thrift Supervision ("OTS"), acting by and through its Northeast Regional Director;

NOW THEREFORE, THE OTS ORDERS AS FOLLOWS:

1. Jay M. Gross is prohibited from participating in any manner in the conduct of the affairs of any institution(s) or other entity as set forth in Section 8(e)(7)(A) of the FDIA, 12 U.S.C.A. § 1818(e)(7)(A) (West 1989 and Supp. 1992). Pursuant to Section 8(e)(6) of the FDIA, 12 U.S.C.A. § 1818(e)(6), conduct prohibited by this Order includes, inter alia, solicitation, procurement, transfer or the attempt to transfer or vote any proxy, consent or authorization with respect to any voting rights in any institution described in FDIA Section 8(e)(7)(A).

2. All words and terms used in this Order, for which meanings are not specified or otherwise provided for by the provisions of this Order, shall have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations, the Home Owners' Loan Act, the FDIA and FIRREA.

3. This Order shall become effective on the date of its issuance by the Northeast Regional Director of the OTS, and shall remain in effect until modified or terminated by the OTS.

OFFICE OF THRIFT SUPERVISION

/S/

By: _____

Angelo A. Vigna
Regional Director
Northeast Region