

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

In the Matter of:

FRANK PURCELL, JR., a former  
director of Pacific Savings  
Bank, Costa Mesa, CA

Order No. SF-93-038

Dated: November 1, 1993

STIPULATION AND CONSENT TO ISSUANCE  
OF ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the West Regional Office, and Frank Purcell, Jr. ("Purcell"), a former member of the Board of Directors of Pacific Savings Bank, Costa Mesa, CA ("Pacific"), hereby stipulate and agree as follows:

1. Consideration.

The OTS, based upon information gathered in the examination and supervisory process, is of the opinion that grounds exist to initiate administrative proceedings against Purcell pursuant to 12 U.S.C. §§ 1818, et seq. Purcell desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, while not admitting that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of the OTS from initiating such administrative proceedings, or any other administrative enforcement action based upon facts known to the OTS as of the effective date of this agreement and arising from his role or activities as a person participating in the affairs of Pacific, its subsidiaries and/or

service corporations. Facts known to the OTS include, without limitation, those matters alleged by plaintiffs in the case of *Resolution Trust Corporation, et al., v. Joe G. Baker, et al.*, U.S.D.C. (C.D. Cal.), Case No. SAVC 89-386 AHS, and those matters referred to in any Reports of Examination issued by the Federal Home Loan Bank Board as to Pacific, its subsidiaries and/or service corporations.

This Stipulation and Consent, and the accompanying Order, does not compromise, settle, dismiss, resolve, constitute an admission of liability, or in any way affect any civil actions, charges against, or alleged liability of Purcell that may be or have been brought by the Resolution Trust Corporation ("RTC") or any other governmental entity other than the OTS.

Purcell and the OTS acknowledge and agree that this Stipulation and Consent are for the purposes of resolving this OTS enforcement matter only, without any admission of liability or wrongdoing, and do not resolve, affect or preclude any other civil or criminal proceeding which may be or have been brought against Purcell by the OTS or another governmental entity.

Notwithstanding the foregoing, "this OTS enforcement matter" as used in the preceding paragraph, refers to all enforcement matters by the OTS under 12 U.S.C. § 1818, et seq.: arising in connection with Purcell's involvement in the affairs of Pacific, and/or any service corporations or subsidiaries thereof; all matters referred to in any Pacific report-of-examination to date; and all matters known to the OTS as of the date of this Stipulation and Consent.

2. Jurisdiction.

(a) Pacific was a "savings association" within the meaning of Section 3 of the Federal Deposit Insurance Act ("FDIA") and Section 2 of the Home Owners' Loan Act ("HOLA"), as amended by FIRREA. Accordingly, it was an "insured depository institution" as that term is defined in Section 3(c)(2) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(c)(2).

(b) Purcell, as a member of the Board of Directors of Pacific, was an "institution-affiliated party" as that term is defined in Section 3(c) of the FDIA, as amended by FIRREA, 12 U.S.C. 1813(u)(1). Purcell voluntarily resigned as a member of the Board of Directors in June, 1987.

(c) Pursuant to Section 3 of the FDIA, as amended by FIRREA, the OTS is the "appropriate federal banking agency" to maintain an enforcement proceeding against such a savings association or its institution-affiliated parties. Therefore, Purcell is subject to the authority of the OTS to initiate and maintain administrative enforcement proceedings pursuant to 12 U.S.C. § 1818, et seq.

3. Consent.

Purcell consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order") in the form attached hereto as "Exhibit A" and incorporated by reference. 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 to be issued under Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e), subject to the terms of



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ORDER OF PROHIBITION

WHEREAS, Frank Purcell, Jr. ("Purcell") has executed a Stipulation and Consent to Issuance of Order of Prohibition ("Stipulation"), which is hereby accepted and approved by the Office of Thrift Supervision ("OTS") acting through its Regional Director for the West Region; and

WHEREAS, Purcell, 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"), as amended by the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), 12 U.S.C. § 1818(e); Accordingly,

IT IS THEREFORE ORDERED that:

Without the prior written approval of the OTS (and, if appropriate, another federal financial institution regulatory agency), Purcell may not, after the effective date of this Order, hold any office in, or participate 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, as amended by FIRREA, 12

