

OTS-CHICAGO.IL

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UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
Steve Trager) Re: No. CHI-93-21
General Counsel) Dated: December 29, 1993
Republic Savings Bank, F.S.B.)
Louisville, Kentucky)
OTS #07430)

STIPULATION AND CONSENT TO ISSUANCE OF AN
ORDER OF ASSESSMENT OF CIVIL MONEY PENALTY

WHEREAS, the Office of Thrift Supervision("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Steve Trager, General Counsel of Republic Savings Bank, F.S.B., ("Republic") 601 West Market Street, Louisville, Kentucky 40202-2700 (OTS No. 07430) that OTS is of the opinion that grounds exist to initiate an administrative civil money penalty assessment proceeding against Steve Trager pursuant 12 U.S.C. 1818(1); and

WHEREAS, the Director of the OTS has delegated to the Regional Directors of the OTS the authority to issue Orders of Assessment of Civil Money Penalties where the respondent has consented to the issuance of the Order; and

WHEREAS, Steve Trager desires to cooperate with OTS and to avoid the time and expense of such administrative litigation and, without admitting or denying that such grounds exist, hereby stipulates and agrees to the following terms:

1. Jurisdiction. (a) Republic Savings Bank, F.S.B., is a "savings association" within the meaning of Section 3(b) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1813(b) and Section 2(4) of the Home Owners' Loan Act, 12 U.S.C. § 1462(4). Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(b) Steve Trager is Senior Vice President and General Counsel of the Institution and is an "institution-affiliated party" of the Institution as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u).

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q), the Director of the OTS is the "appropriate Federal banking agency" with jurisdiction over the Institution and persons participating in the conduct of the affairs thereof.

(d) The Director of the OTS has the authority to bring an administrative proceeding for a civil money penalty against persons participating in the conduct of the affairs of the Institution and institution affiliated parties pursuant to 12 U.S.C. § 1818(i)(E).

(e) Steve Trager is subject to the authority of OTS to initiate and maintain administrative proceedings pursuant to 12 U.S.C. § 1818(i).

2. OTS Findings of Fact. The OTS finds that:

Steve Trager, Senior Vice President and General Counsel of Republic received personal goods purchased with a corporate credit card issued to Chairman of the Board Bernard Trager and said charges were approved by Chairman Trager and paid by Republic. These actions were in violation of a Supervisory Agreement dated March 19, 1992, 12 U.S.C. 375b and 12 C.F.R. § 563.43.

3. Consent. Steve Trager consents to the issuance by the OTS of the accompanying Order of Assessment of Civil Money Penalty ("Order"). Steve Trager further agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under 12 U.S.C. § 1818(i). Upon its issuance by the Regional Director or designee for the Central Region, OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C. § 1818(i).

5. Waivers. (a) Steve Trager waives his right to a notice of Assessment of Civil Money Penalty and the administrative hearing provided by Section 8(i) of the FDIA, and further waives any right to seek judicial review of the Order, including, within limitation, any such right provided by Section 8(h) of the FDIA,

12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

6. Indemnification. Steve Trager shall neither cause or permit Republic (or any subsidiary thereof) to incur, directly or indirectly, any expense for the amount of the civil money penalties assessed under the Order or any legal expenses (or other professional expenses) incurred relative to the negotiation and issuance of the Order, nor obtain any indemnification (or other reimbursement) from Republic (or any subsidiary thereof) with respect to such amounts. Any payments received by or on behalf of Steve Trager in connection with his action shall be returned to Republic.

7. Other Actions, Proceedings and Parties. This Stipulation and the accompanying Order are issued solely to settle this proceeding. By entering into this Stipulation and Consent, Steve Trager acknowledges and agrees explicitly to the following provisions:

(a) Steve Trager acknowledges and agrees that this proceeding, the assessment or payment of the penalty contemplated as part of the resolution thereof, and Steve Trager's consent to the issuance of the Order are for the purposes of resolving this OTS enforcement matter only. By signing this document Steve Trager agrees that he will not assert the assessment or payment of this penalty as the basis for a claim of double jeopardy

in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

(b) This Stipulation, the Order and the payment by Steve Trager of any monies or providing any other financial relief as contemplated by the Order, does not release, discharge, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of Steve Trager 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.

c. Steve Trager's obligation to pay civil money penalties pursuant to this Stipulation and Consent and the Order shall not be dischargeable in bankruptcy under any circumstances.

WHEREFORE, Steve Trager executes this Stipulation and Consent to Issuance of an Order of Assessment of Civil Money Penalty, intending to be legally bound hereby.

By:

Accepted by:

Office of Thrift Supervision

/S/

/S/

Steve Trager

Ronald N. Karr
REGIONAL DIRECTOR
Central Region

Date:

12/22/93

Date:

12-29-93

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
Steve Trager) Re: Resolution No. CHI-93-21
General Counsel) Dated: December 29, 1993
Republic Savings Bank, F.S.B.)
Louisville, Kentucky)
OTS #07430)

ORDER OF ASSESSMENT OF CIVIL MONEY PENALTY

WHEREAS, Steve Trager, General Counsel for Republic Savings Bank, F.S.B., Louisville, Kentucky ("Republic") has executed a Stipulation and Consent to Issuance of an Order of Assessment of Civil Money Penalty ("Stipulation"); and,

WHEREAS, Steve Trager, in the Stipulation, has consented to the issuance of this Order of Assessment of Civil Money Penalty pursuant to 12 U.S.C. 1818(i).

NOW THEREFORE, IT IS ORDERED that within 10 days of the effective date of this Order, Steve Trager shall pay to the OTS the sum of \$4,500, by tendering a certified check to the OTS in that amount made payable to the Treasurer of the United States. The check shall be sent, together with a cover letter stating the name of the association and the resolution number, and a copy of

