

UNITED STATES OF AMERICA  
BEFORE THE  
OFFICE OF THRIFT SUPERVISION

\_\_\_\_\_  
In the Matter of )  
 )  
 )  
Barbara A. Schulz )  
Former Employee of )  
Remington Federal Savings )  
Association )  
Elgin, Texas )  
\_\_\_\_\_)

Re: Resolution No. DAL-92-07

Dated: January 28, 1992

STIPULATION AND CONSENT TO THE  
ENTRY OF A PROHIBITION ORDER

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Midwest Regional Office in Dallas, Texas, and Barbara A. Schulz ("Schulz") former employee of Remington Federal Savings Association, Elgin, Texas ("Elgin"), hereby stipulate and agree as follows:

1. CONSIDERATION

The OTS, based upon information reported to it, is of the opinion that the grounds exist to initiate an administrative prohibition proceeding against Schulz 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, Pub. L. No. 101-73, 103 Stat. 183, 450-464 ("FIRREA"), 12 U.S.C. § 1818(e) (1988 & Supp. I 1989). Schulz desires to cooperate with the 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 in

consideration of the forbearance of OTS from initiating such administrative prohibition litigation against Schulz.

2. JURISDICTION

- (a) Remington at all times relevant to the allegations set forth herein, was a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C. § 1813(b) and Section 2(4) of the Home Owners' Loan Act of 1933, as amended by Section 301 of FIRREA at 12 U.S.C. § 1462(4). Accordingly, it was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, as amended by Section 204 of the FIRREA, at 12 U.S.C. § 1813(c)(2).
- (b) Pursuant to Section 3(q) of the FDIA, as amended by Section 204 of the FIRREA at 12 U.S.C. § 1813(q) (1988 & Supp. I 1989), the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a savings association or its institution-affiliated parties.
- (c) Schulz was employed by Remington as a teller from approximately August 15, 1984 to September 2, 1991 when she resigned.
  - (i) On May 29, 1991, Schulz transferred \$95,000 from certificate of deposit Account #44-600318-0 in the name of Southern Fruit Liquidating Trust to two other accounts.

\$20,000 was transferred to Account #42-120397-5 in the name of L. C. Hobbs and \$75,000 was transferred to Account #106903-8 in the name of Edna Hamilton. Schulz made unauthorized withdrawals by issuing cashiers checks made payable to the account holders which were then cashed by Schulz for her own benefit. Remington suffered a loss of \$95,000 as a result of Schulz's actions.

- (ii) Schulz has violated 12 C.F.R. § 563.17-1 (now 12 C.F.R. § 563.170(c), engaged in unsafe and unsound practices, and breached her fiduciary duty as an employee of Remington within the meaning of 12 U.S.C. §§ 1818(e)(1)(A)(i)(1), 1818(e)(1)(A)(ii) and (iii).
  - (iii) By reason of her actions, Schulz received a financial benefit of \$95,000 and Remington suffered loss within the meaning of 12 U.S.C. §§ 1818(e)(1)(B)(i) and (iii).
  - (iv) Schulz's actions involved personal dishonesty and demonstrated a willful and continuing disregard for the safety and soundness of Remington within the meaning of 12 U.S.C. §§ 1818(e)(1)(C)(i) and (ii).
- (d) Schulz was at all times relevant to the allegations set forth herein, an employee of Remington, and as

such was an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(u). Therefore, Schulz is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against her pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e) (1988 & Supp. I 1989).

3. CONSENT

Schulz consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). She 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 issued under Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e). Upon its issuance by the Regional Director for the Midwest Regional Office of the OTS in Dallas, Texas, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(i).

5. WAIVERS.

Schulz waives her right to a notice of intention to prohibit and the administrative hearing provided by Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e), and further waives her right to seek judicial review of the Order, including any such right provided by Section 8(h) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.





