

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

In the Matter of:

Stephen R. Selverian,  
Chief Executive Officer and  
Member of the Board of Directors  
of  
Fidelity Mutual Savings and  
Loan Association  
Westmont, New Jersey

Re: Northeast Regional Director

Resolution No.: NE92-009

Dated: January 30, 1992

STIPULATION AND CONSENT TO ISSUANCE  
OF ORDER TO CEASE AND DESIST

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Northeast Regional Office, OTS, and Stephen R. Selverian, Chief Executive Officer and member of the Board of Directors of Fidelity Mutual Savings and Loan Association ("Selverian") stipulate and agree as follows:

1. Consideration. The OTS, based upon information reported to it, is of the opinion that grounds exist to initiate an administrative cease and desist proceeding pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(b), against Selverian. Selverian 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 by the OTS from initiating such administrative litigation against Selverian with respect to the matters covered in the accompanying Order to Cease and Desist ("the Order").

2. Jurisdiction.

(a) Fidelity Mutual Savings and Loan Association ("Fidelity Mutual" or "the Association") is a "savings association" within the meaning of Section 3 of the FDIA and Section 2 of the Home Owners' Loan Act, as amended by FIRREA. 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). Selverian is Chief Executive Officer and a member of the Board of Directors of Fidelity Mutual, and is therefore an institution-affiliated party of Fidelity Mutual. See 12 U.S.C. § 1813(u).

(b) Pursuant to Section 3 of the FDIA, the Director of OTS is the "appropriate Federal Banking agency" to maintain an enforcement proceeding against such a savings association and/or its institution-affiliated parties. Therefore, Selverian is subject to the authority of the OTS to initiate and maintain a cease and desist proceeding against him pursuant to Section 8(b) of the FDIA, 12 U.S.C. § 1818(b).

3. Consent. Selverian consents to the issuance by the OTS of the accompanying Order. He 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 Section 8(b) of the FDIA. Upon its issuance by the Regional Director for the Northeast Regional Office, 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. Selverian waives his right to (i) a notice of charges and the administrative hearing provided by Section 8(b) of the FDIA and to (ii) seek judicial review of the Order, including 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.

WHEREFORE, in consideration of the foregoing, the OTS, by and through its Regional Director for the Northeast Regional Office, OTS, and Selverian execute this Stipulation and Consent to Issuance of Order to Cease and Desist.

OFFICE OF THRIFT SUPERVISION

By:

/S/

Angelo A. Vigna  
Regional Director  
Northeast Regional Office

/S/

Stephen R. Selverian

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

In the Matter of:

Stephen R. Selverian,  
Chief Executive Officer and  
Member of the Board of  
Directors of  
Fidelity Mutual Savings and  
Loan Association,  
Westmont, New Jersey

Re: Northeast Regional  
Director Resolution No. NE92-009

Date: January 30, 1992

ORDER TO CEASE AND DESIST

WHEREAS, Stephen R. Selverian ("Selverian"), Chief Executive Officer and member of the board of directors of Fidelity Mutual Savings & Loan Association ("Fidelity Mutual" or the "Association"), has executed a Stipulation and Consent to the Issuance of Order to Cease and Desist ("the Stipulation"), which is incorporated herein by reference and is accepted and approved by the Office of Thrift Supervision ("OTS"), a bureau within the United States Department of the Treasury; and

WHEREAS, Selverian, by execution of the Stipulation, has consented and agreed to the issuance of this Cease-and-Desist Order ("Order"), which is an order to cease and desist issued by the OTS pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(b);

WHEREAS, Selverian is an institution-affiliated party of Fidelity Mutual, which is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c);

NOW, THEREFORE, the OTS issues this Order to Cease and Desist ("the Order") to Selverian.

#### PART I

#### COMPLIANCE WITH REGULATIONS

Selverian shall cease and desist from violations of the following regulation:

Section 563.161 of the OTS Regulations, 12 C.F.R. 563.161 (regarding compensation of officers).

PART II

RESTITUTION OF BONUS TO SELVERIAN

Selverian has consented to repay to the Association the balance of the \$30,000.00 bonus granted to him for 1990, and represents and warrants that the same has been paid in full by November 15, 1991. In addition, Selverian has paid to the Association interest in the amount of \$2,125.82, representing interest on the said \$30,000.00 bonus repaid by him to the Association. The interest was accrued from the date the bonus was received through the date of repayment of the balance, and interest was calculated on the basis of New York prime plus 1%, adjusted monthly. This interest rate most nearly represents the same interest rate that would be charged to customers of the Association for loans of a similar amount and term.

## PART III

### DEFINITIONS

3.01. For all purposes of this Order, except as otherwise expressly provided or unless the context otherwise requires, (a) the terms used in this Order include the the plural as well as the singular, (b) all accounting terms not otherwise defined have the meanings assigned to them in accordance with generally accepted accounting principles in the United States, except that if such terms are defined in the Rules and Regulations of the OTS, such regulatory definitions shall be controlling, and (c) all terms not otherwise defined herein that are defined in the Home Owners Loan Act, the Federal Deposit Insurance Act, or the Rules and Regulations of the OTS or its publicly available Bulletins and Advisory Memoranda shall have the meanings assigned to them in such statutes, Rules and Regulations, Bulletins, and advisory memoranda.

### SUCCESSOR STATUTES, REGULATIONS, GUIDANCE, AMENDMENTS

3.02. Reference in this Order to provisions of statutes, regulations, and OTS Memoranda shall be deemed to include references to all amendments to such provisions as have been made as of the Effective Date hereof and references to

successor provisions as they become applicable.

DURATION, TERMINATION OR SUSPENSION OF ORDER

3.03. This Order shall remain in effect until terminated, modified or suspended in writing by the OTS, acting through its Director or the Regional Director (including any authorized designee thereof).

3.04. The Regional Director (or his designee), in his or her sole discretion, may, by written notice, suspend any or all provisions of this Order.

EFFECT OF HEADINGS.

3.05. The Part and Section headings herein are for convenience only and shall not affect the construction hereof.

SEPARABILITY CLAUSE.

3.06. In case any provision in this Order is ruled to be invalid, illegal or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

NO VIOLATIONS OF LAW, RULE, REGULATION OR POLICY STATEMENT  
AUTHORIZED.

3.07. Nothing in this Order shall be construed as allowing Selverian to violate any law, rule, regulation, or policy statement to which it is subject.

INCORPORATION OF STIPULATION.

3.08. The Stipulation is made a part hereof and is incorporated herein by this reference.

EFFECTIVE DATE OF ORDER

3.09. The Order is effective and enforceable immediately upon the date of its issuance by the OTS, which date is set forth below.

IT IS SO ORDERED on this 30<sup>th</sup> day of January, 1992.

THE OFFICE OF THRIFT SUPERVISION  
BY:

/S/

Angelo A. Vigna,  
Regional Director, Northeast  
Region